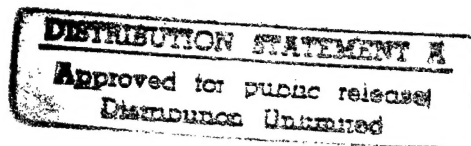


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13 March 1986

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EFFECT OF ECONOMIC REFORM ON PRIVATE FARMING

Warsaw DZIENNIK LUDOWY in Polish 19 Nov 85 p 3

[Text] Great hopes for an improvement in the condition of our economy along with the creation of a climate favoring further economic development and raising the standard of living of our society are placed on the economic reform that has been implemented for several years now. A consistent implementation of the reform is a prerequisite for extracting the economy from an extremely difficult situation.

By itself the reform is not going to create any new material substance or any new values. The economic reform aims primarily at the sphere of economic management. In simplified terms, it is contingent on the restriction of the so-called compulsory-directive (administrative) managerial methods while expanding economic methods, i.e. exerting an influence on enterprises, cooperatives, methods, i.e. exerting an influence on enterprises, cooperatives, farm collectives, workshops, etc., by means of economic instruments, such as prices, credits, taxes, allotments, interest rates, etc.

As these measures are carried out, the role of the market grows in setting prices, production level and structure, and also in other economic decisions made by economic units. It is assumed, and rightly so, that by means of economic instruments it is easier and better to stimulate and, as a matter of fact, force improvements in economic efficiency than by means of administrative measures.

However, a considerable expansion of managerial freedom by economic units must not entail the unleashing of unwanted economic processes. Greater rights are as a rule linked with greater responsibility. Hence, greater economic independence of farming units calls for intensified control of their activities by the state, particularly in the area of production, compliance with ecological requirements, and in a general concordance with overriding interests of the state and society.

I feel that private farmers understand better than other farmers the essence of the economic reform, because they have been farming for a long time in accordance with its principles, which is the principles of the three "esses": self-management, self-control, and self-financing. Hence, the direct effect of the reform on private farming is smaller than on state farming, for instance.

As an afterthought I might add that thanks to the considerable loosening of the compulsory-directive corset in the management of state farms, these farms were able to achieve substantial improvements in their economic results.

The economic reform does not violate the essence of private farming, nor does it substantially alter the principles of its operation, particularly the rules for making production decisions and financing by the farmer. However, this does not mean that private farming is exempt from the effects brought about by the reform, nor does it permit the farmer to watch indifferently its progress as it is implemented in the national economy. On the contrary, the implementation must remain the topic of the farmers' watchful observation and interest, including their political and socio-professional organization.

The economic reform will have an effect on agriculture, which means it will help to realize the farmers' goals and economic interests to a greater extent than it would seem at first glance. Moreover, the statement that in this day and age nonfarm divisions of the national economy are instrumental in agricultural development is a mere truism, and this is not cogent about the industry. Besides, while recognizing the undeniable link between reform and productive-economic results of nonfarm divisions, we may postulate that the implementation of the reform in those very divisions, especially in the industry of production resources for agriculture and in the food industry will effect not only the supply and cost of food products, but also the shape and efficiency of agricultural production plants. This is why farmers place on the reform well-understood expectations for a greater market supply both of agricultural production resources and consumption goods, which means better quality goods at cheaper prices.

The national economy operates on the basis of its nature as a system of communicating vessels. Consequently, the extent of the reform's implementation in nonfood branches of the national economy defines the progress in overhauling the food economy, hence the development of agriculture itself.

It is safe to assume that the true effect of the economic reform on private farming will be multifarious.

The importance of economic instruments in agricultural management will continue to grow. By the same token, the economic reform also means a deviation from the process of price controls and the allocation of greater resources to agricultural production. The cost of those resources will depend on to an ever greater extent on the market, being the outcome of the ratio between supply and demand. Of course, the role of other economic instruments will increase, too. The deviation from the process of price controls and distribution should also help to reorient offices handling actual farm servicing, eliminate waste of farmers' time that presently occurs in those offices, as well as at purchase agencies of agricultural products. After all, such time may be used more profitably for direct production activity.

Streamlining the area of agricultural production services and industries working in support of agriculture, streamlining the agro-nutritional industry to operate in line with the principles of the reform should help to coalesce their

economic interests with the interests of agricultural producers. In other words, the influence of non-agricultural economic units on private farming will be enhanced. Consequently, the economic output of the farmer will be more dependent than in the past, be it merely in the price area, on agricultural factors. Then, on the one hand, only high-yield and high-income private farmers will become attractive purchasers of resources of agricultural production, and, on the other hand, only such type of agriculture can ensure a sufficient, high-quality and moderately priced supply of agricultural products for further food processing.

Subsequently, we may expect an intensification of the "incorporation" process of private farming into food chains, with well-defined technological, qualitative, and economic patterns. This will affect in particular such phases of those chains, as agricultural production services, agricultural turnover, preservation, and the agro-nutritional industry. This sort of situation will create certain restrictions in decision-making for agriculture, though it will hopefully release new creative forces to push ahead the agricultural progress. In the context of inexorably intensifying processes of a material integration, the primary factor of importance for farmers is not to see their strength sapped in contacts with the naturally stronger and better organized industrial partner. Hence, any changes in the organization area of industries working together with agriculture, especially the food industry, will have to be closely monitored by farmers and their organizations. In this context, among other thing it will be presently important to ensure that trade associations in the food industry, both compulsory and voluntary, are not converted into permanent monopolistic organizations dictating market conditions to both farmers and consumers. If we are unable to prevent such a development, the common cause of economic interests of farmers and workers in the food industry will be violated, and we will have to face all further negative consequences of such a situation.

The economic reform creates new demands in the field of long-wave transformations and adjustment processes in private farming. Those transformations and processes call for an accelerated tempo.

In this regard the situation calls for both transformation of the agrarian structure and a technical modernization of agriculture, as well as for creativity and implementation processes of a biological and organizational-technical progress. We must bear in mind that a consistent implementation of the principles and regulations of the reform will constantly subject to both economic and social criteria those principles that are assumed to be favorable for agriculture, such as the principle of income parity, for one. This is because the reform calls for a broader and deeper support of political establishments by economic activities, and by shoring up such establishments by economic means. Hence, new demands are imposed on farmers and their organization with regard to a rank-and-file drive building up inside so that it may effect transformations in the scope of private farming. Yet, all this must not entail a relaxation either of the entire national economy, or, moreover, relieve the government from its responsibility for the future destiny of private farming.

Dr. Hab. Jozef Zegar
Deputy Director of the Institute of
Agriculture and Economy and Nutritional
Industry.

BRIEFS

CSSR RESEARCH, PRODUCTION COOPERATION--East Berlin (ADN)--On Tuesday [22 January] Horst Tschanter and Josef Voracek, deputy chairmen of the GDR-CSSR Joint Economic Commission and deputy chairmen of their countries' State Planning Commissions, started deliberations in Berlin on the development of economic and scientific-technological cooperation. They discussed steps for further deepening cooperation in science and technology as well as for achieving specialization and cooperation in research and production. They also studied possibilities of increasing mutual commodity exchange. [Excerpts] [East Berlin NEUES DEUTSCHLAND in German 22 Jan 86 p 2] /9604

GDR-YUGOSLAV PROJECT COORDINATION--Belgrade (ADN)--With coordinated projects for deepening their economic relations, the GDR and Yugoslavia are following the path into the just beginning new 5-year plan period. The most recent agreements for the period up to 1990 are based on the results of the official friendship visit by Erich Honecker in October 1985 to the SFRY. The joint efforts are focused on increasing the scientific-technological level of products and on the application of highly efficient technologies. [Excerpts] [East Berlin NEUES DEUTSCHLAND in German 11-12 Jan 86 p 5] /9604

CSO: 2300/200

METALLURGY MINISTER COMMENTS ON KEY TASK PRIORITY

Prague HOSPODARSKE NOVINY in Czech No 43, 1985 pp 1, 6

[Article by Eng Bohuslav Najbrt, CSSR minister of metallurgy and heavy machinery]

[Text] Supplier organizations of our department have been participating through direct deliveries in the building of 213 construction projects this year--priority constructions of the state plan. In most cases these are constructions which will serve manufacturing. The entry into this year can be characterized, as far as the technical equipment for the priority constructions is concerned, first of all by the fact that we entered it with fewer unfulfilled deliveries from the previous year than has been the case in the past. In 1982 the plan for putting facilities into operation was fulfilled up to 72.5 percent, a year later up to 88.2 percent, and last year up to 94.7 percent.

Everyone Has His Own Task

On the other hand, however, adverse weather marked by waves of hard frosts in January and February 1985 had a negative impact on the progress of work on priority constructions. This was evident not only in disruptions of assembly work, but also in delays in construction readiness to begin such work. Also, the delays of assembly work by some of our suppliers led in some instances to deadlines for equipment readiness not being met, most of all for the economic production unit "Electromont," whose organizations provide high voltage power distribution systems and technological process control systems.

Some investors, obviously influenced by several consecutive mild winters of previous years, are not making adequate preparations for winter to ensure that not only the assembly work of equipment, but also the work by subsequent suppliers need not be substantially restricted in case of low outdoor temperatures. On the other hand we recognize the fact that keeping down consumption of high grade fuels, which are often used for this purpose, considerably limits the investors' options.

This is also why we cannot agree with the opinions of some workers of our supplier organizations, who demand excessive winter preparations. They

usually rationalize it by insisting that if they were not to ask for substantial winter provisions in time, they would not get even that which is absolutely necessary. However, such an approach results in disparities among those participating on the construction, that is, the investor, the general contractor, suppliers of building materials, suppliers of equipment, including their sub-suppliers. In addition, it makes comradely cooperation, which is absolutely necessary for solving problems, more difficult.

To my mind, the greatest potential for improvement lies in timely resolution of problems at the lowest levels of management, which are closest to the source of those problems. Too, it is easier to choose a realistic solution out of several possibilities on the site of the construction itself, rather than bringing it for resolution to the departmental level of the participants concerned with the construction. It is not unheard of that arbitration of conflicts is shifted to superior officials with delays, without adequate information.

We are at fault in that we are not consistent enough when it comes to demanding responsibility from some workers of the general management of economic production units who are superiors of the suppliers of technical equipment. As a consequence, because of the danger of losing time, these issues are not sent back for resolution to the appropriate lower level, and departments are dealing with problems which are not theirs to resolve. In cases, where adopted measures do not prove to be the optimal resolution, considering the situation at the specific construction (where in the meantime quick changes may have occurred), the responsible workers of the department are open to criticism. They, however, often must make a decision based on inadequate data received from the lower levels of management.

Such an incorrect procedure often leads to renewed conflicts and consequently to putting government deadlines for trial runs of facilities at risk. It needs to be said that these undesirable occurrences in capital construction do happen, and it is possible--even if it requires great effort--to track them down, even though they are not always presented as renewed conflicts but as new ones. However, most often they come to light while problems, which were the result of just such unsupported actions, are being resolved.

We at the ministry are aware of such shortcomings. We are, therefore, going to increase our control in this respect, so that we can arrive at specific charges against those responsible, or, as the case may be, direct the general managers to make those charges.

What to do About Billing Notices

They are, however, matters which at present we are unable to influence and which often distort the economic results of a department or individual economic units. In the first place it is the matter of the effect stemming from applying the directive of the Federal Ministry of Finance No. 37/1983 Sb. (Laws of the Czechoslovak Socialist Republic), concerning billing and payment of deliveries for capital construction and geological work. In general, we value positively those provisions of the directive which are designed to

enhance the effectiveness of capital investment, eliminate deficiencies which have persisted over a number of years, and increase the level of all managerial and organizational actions in order to achieve an overall improvement in discipline, order, and higher requirements for quality of work.

A far more demanding system of reporting essential requirements for billing for work performed and for deliveries, most of all completed deliveries, which is required by the directive, greatly increased the demands on suppliers of technical equipment. However, this measure also brought about some negative features, to which the suppliers are constantly pointing. For example: although some deliveries have already been used in the construction, it has not been possible toward the end of the first half of 1985 to certify them through the verification protocol as required by the directive No. 37/1983 Sb. These cases concern mostly supplementary operational projects, which hardly any large construction can do without at the present time. Agreements on marketing costs of these supplements cannot be made in time. This matter has to be considered from the point of view of the reasons which caused it. It may concern deficiencies which stem directly from the actions of the executor of the operational projects, which in the case of technical equipment usually is the supplier organization itself. Or it could be deficiencies in the initial projects which are being worked on by the general supplier. For the sake of objectivity I must add, that in the framework of technological assistance, suppliers of technical equipment provide a technological base also for this stage of project preparations.

Most serious are the consequences stemming from various exceptions which were put through in the past by the investors' superior agency, so that they could begin work on constructions before adequate project preparations have been made. The provisions of the above mentioned directive are not responsible, obviously, for the serious difficulties which are experienced by the suppliers of technical equipment; it is the circumventing of the strict regulations that apply for the start-up of mandate constructions.

I have endeavored to show through this example how difficult it is to find the offender in these instances. All such supplementary deliveries naturally result in decreased efficiency of capital investments and clearly prove that it is not possible to make exceptions in allowing construction to begin, especially in the category of priority tasks of the state plan.

We must not forget to mention also some of the other reasons which are involved in the above mentioned unfavorable state of affairs, for example, the fact that final suppliers are late in turning over to the general suppliers certification of tests that were performed, without which the investor cannot show evidence of completion. We have to admit that this concerns relationships among supplier organization of our department as well. But experience shows that to eliminate such seemingly formalistic deficiencies always takes a considerable time.

This can be seen from the way in which reports are made about fulfillment of progress milestones on priority constructions established by directive No. 157/178 Sb., concerning the management of constructions, which was

introduced into practice as a previous beneficial step for improving the management of priority construction. A notification that assigned tasks have been fulfilled is turned over through investors' channels to the State Commission for Technological Development (formerly Ministry of Technological and Capital Development). However, throughout the entire length of time that this regulation has been in effect, it has not happened yet that the quarterly notices concerning technical equipment deliveries have ever been complete--every time one or more of the progress milestones are not reported by the investors, even if they had been accomplished. This happens because investors do not give the necessary attention to this administrative process. During a control session, which took place on May 23, 1985 in the office of the vice-premier of the CSSR government and chairman of SKVTIR Dr Jaromir Obzina, DrSc, concerning provisions for guaranteeing implementation of the tasks of the state plan for capital construction and technological development during the first quarter of 1985, another measure was adopted to deal with this problem. The fulfillment of progress milestones has to be confirmed in the appropriate place on the notice not only by the investor, but the supplier as well. But obviously not even this measure will resolve the problem.

Plan and Reality Differ

As in the case of tardy administrative reporting of individual tests, so in the case of meeting progress milestones, what is lacking is basic discipline, and the matter has to be judged accordingly. In both cases the results of the work of the supplier organizations are distorted, and based on inadequate information to central agencies their actions are negatively influenced. In reference to directive No. 37/193 Sb., it is worth mentioning that following discussions of supplier-consumer relations in the coming year, the state plan mandated a greater volume of deliveries than was the case during substantive discussions of the management of individual construction projects in the first quarter of this year. The reason for this disparity is the fact that in the first half of 1984, when supplier-consumer relations were being negotiated, neither the investors nor the suppliers knew the exact volume of deliveries needed.

Again, unconcluded pricing matters were the main culprit. In this instance, naturally, it does not mean a softening of the state plan, because as far as material supplies are concerned, the volume of deliveries required by investors for this year remains the same.

As a consequence of these disparities, considerable complications arise at those construction projects where progress milestones have not been established, and therefore their quantitative achievement is being evaluated toward the end of the year. This is a serious problem, because of the above mentioned 213 priority constructions on which we are participating through direct deliveries of technical equipment for investors, progress milestones for supplier organizations of our department have been established only in 150 of the capital construction projects.

In the case of constructions where all facilities have been put on a trial run, investors are well-disposed to secure from the local branch of the Czechoslovak

State Bank a certificate for the suppliers confirming that this represents a saving. But in the case of constructions which have not progressed very far, suppliers often have to be satisfied with a certificate issued by the investor or by his superior agency (because the investor refuses to acknowledge such a saving to the Czechoslovak State Bank as deductions would follow). It is worth mentioning that a reduction in the volume of deliveries in 1984 occurred only in the case of nuclear power plants consequent on the pertinent resolution of the Presidium of the CSSR Government.

This state of affairs has had an extraordinarily unfavorable impact on the evaluating of quantitative fulfillment of tasks by individual economic production units of priority constructions at the end of the year. This applies mainly to the category of concluded deliveries, which is mandatory according to the plan.

Which Way Into the Future

To close, I shall discuss the accomplishment of work and deliveries for constructions--mandatory tasks of the state plan for the first half of the year in comparison with the same period last year. During the first half of 1985 the total volume was 2,678.6 Kcs, which represents 31.8 percent of the annual plan. If we leave aside deliveries for the nuclear power industry, the volume of all other deliveries for priority construction for the first half of 1985 was 1,694.9 million Kcs.

Last year, the overall fulfillment during the first half of the year was 1,842.7 million Kcs, that is 19.4 percent of the annual plan. Not counting nuclear power industry, this amounted to 1,338.6 million Kcs, that is, 28 percent. These figures contain only planned direct deliveries for investors, not sub-deliveries, such as, for example, for suppliers of steel constructions.

The state plan (after certain modifications resulting from approved changes in mandatory construction indicators by the appropriate resolution of the Presidium of the CSSR Government) requires that 77 facilities be put on trial run. This number includes only those facilities which we are helping to build through direct planned deliveries for investors. Not counting facilities for the nuclear power industry, it means 73 facilities. Of those, the state plan requires that 30 be put on trial run during the first half of the year. 22 facilities have been put on trial run within the established deadlines. This includes also two facilities which were put into operation ahead of schedule, which was not until the second half of 1985. Another six facilities were put on trial run with a delayed deadline, but still in the first half of this year. Altogether, therefore, 28 facilities have been completed, that is 93.3 percent. In the second half of this year we are expected to put 45 facilities on trial run.

The demanding nature of the tasks connected with guaranteeing that priority tasks of the state plan are implemented, provides room for workers' initiative on construction sites, as well as in manufacturing organizations which ensure the necessary deliveries. We appreciate the complicated work of the investors, because even in the capital constructions of our own department we can see what problems they have to solve.

At the annual general meeting of the Czechoslovak Communist Party, conferences, and all-plenary sessions, the results achieved in fulfilling the priority tasks of the state plan will be assessed. In accordance with the 15th Plenum of the Central Committee of the Czechoslovak Communist Party, evaluation and critical appraisal will be made also of the measures adopted in accordance with economic policies for fulfilling the plan for this year and prospects for fulfilling it in 1986 and subsequent years of the next 5-year plan. Future results which we shall be achieving in this very important sector of the national economy are directly dependent on political and economic actions prior to the 17th Congress of the Czechoslovak Communist Party.

12605/7687

CSO: 2400/67

ADJUSTED VALUE ADDED EFFECTS ON ENTERPRISE ACTION VIEWED

Prague FINANCE A UVER in Czech No 8, 1985 pp 542-548

[Article by Eng Frantisek Bernat: "Effect of Adjusted Value Added on Enterprise Action"]

[Text] In his article "Adjusted Value Added in Engineering and the Creation of Wages Payable" (FINANCE A UVER No 12, 1984 p 816) Eng Alfred Sebek discussed, among other things, the methods of increasing adjusted value added (AVA) or of exceeding its planned volume. He stated that one cannot ignore the method by which savings of certain items of material costs are achieved (for example, costs of repairs which enterprises justify mainly by referring to inadequate repair capacities of the suppliers). "The opportunity to calculate wages on that basis according to AVA must be regarded as totally unjustifiable. After all, this is a completely unmerited increase in AVA as well as unacceptable maintenance of capital assets."

Obviously A. Sebek had in mind a failure to make necessary repairs of capital assets. In this concept one may fully agree with him, or as the case may be, one may support his view, because the lack of repairs will also be reflected in unearned increases of profits and in accumulation of additional undeserved resources of wages payable (at present the movable factor of wages payable), or because of the gain of other material advantages, such as allocations to incentive funds. This is an old problem in the management of enterprises which occasionally prefer to report good results now rather than to ensure long-term objectives.

The question whether this is a case of neglect in making necessary repairs of capital assets, however, is linked with a series of problems and is not as simple as it may appear at first glance. It is a fact that lower initial repair costs (reported in accounts in accounting class 3 and constituting a factor of material costs in the calculation of AVA by the method of deduction) may be connected--if we set aside potential consequences of price changes--in particular with:

--better general care for capital assets (including the so-called maintenance) and with a better quality of repairs, which make it possible to postpone the repairs for later and thus, reduce repair costs;

--with repairs made by the enterprise instead of repairs previously made by the supplier, or vice versa.

We shall attempt to take a closer look at the latter of the above-mentioned problems in the next part of our article.

Effect of the Method of Repairs on AVA and on Wages

Let us assume that the enterprise has two alternatives: to contract the suppliers for the repairs, or to undertake the job by its own work forces. Naturally, its decision will be reflected in the amount of AVA or in its internal structure, as shown in Table 1.

Table 1.

	<u>Repair made</u>	
	<u>By the supplier</u>	<u>By the enterprise</u>
Total outputs of the enterprise	1,000	1,000
Costs of materials (without depreciations) and services of nonmaterial type (not including the item below)	650	650
Costs of materials for repair	50	20
Adjusted value added	300	330

This diagram demonstrates that the enterprise may raise its AVA by 30 if it reduces by 50 the costs of repairs made by the supplier, however, it must pay 20 for the materials required for the repair which it does with its own forces.

If the enterprise's standard of the basic factor of wages payable is set, for instance, at 40 percent, its wages payable are increased by $30 \times 40 \text{ percent} = 12$, if it does the repair on its own. Which method of repair will the enterprise choose under such circumstances, if it takes into consideration only the effect on wages (which is very frequently the decisive criterion)?

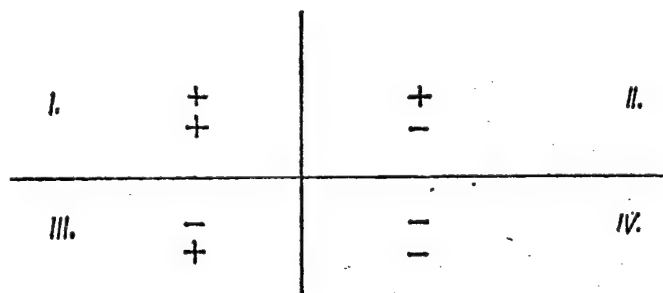
The most important consideration is how high are the wages required for the repair at the enterprise's own cost. If the repair demands wages amounting to 15, the enterprise "loses" $15 - 12 = 3$ in wages. The enterprise would have to save this amount on some other wages (for instance, by cutting down the rate of growth of average wages or by rationalization measures). Thus, the enterprise would hardly opt for such a repair job, but hire the supplier for the job.

If the repair done by the enterprise itself calls for wages amount to 10, the enterprise gains $12 - 10 = 2$ in wages. Wages payable of the enterprise will increase by that amount over the necessary costs for the repair, which the enterprise may use, for example, to raise average wages. The enterprise will not hesitate to undertake the repair by itself.

How will the supplier react? Let us assume that the wage standard amounting to 35 percent of AVA is stipulated for the supplier and that the repair contributes an amount equal to 28 to AVA. Thus, by making the repair, the supplier earns wages payable amounting to $28 \times 35 \text{ percent} = 9.8$. So long as the repair calls for lower wages, for instance, 9.5, the supplier is interested in undertaking the repair job. On the other hand, if the repair requires wages in the amount of 11, the supplier will refuse the job, because he would lose $11 - 9.8 = 1.2$ in wages.

We can see that the interests of the enterprise and of the supplier may conform as well as disagree in deciding about the repair job. We may express this with Figure 1, which is divided into 4 quadrants, where the upper symbols signify the interest of the enterprise in having the repair done by the supplier, and the lower symbols the interest of the supplier in undertaking the job.

Figure 1.



Quadrant I represents identical interests on the part of the enterprise and of the supplier. The enterprise is interested in assigning the repair job to the supplier, because for it it would mean a loss to undertake the repair; the supplier is interested in the job, because he will earn more in wages than the amount of his costs for the wages for the job.

Similarly, in quadrant IV the interests of the enterprise and of the supplier in the repair are identical, however, if compared with quadrant I, the enterprise is interested in doing the repair by its own forces and not by the supplier, while the supplier refuses to accept the job, because by doing it he would suffer a loss in wages. Repairs made by the enterprise itself are advantageous for both partners.

In quadrant II the interests of both partners differ. The enterprise is interested in having the repair done by the supplier, but the supplier is unwilling to accept the job, because it would not create wages payable needed for that particular job. The position of the enterprise with respect to the supplier is weak in this case; the enterprise must undertake the repair by its own forces, even though that will lead to problems in terms of wages.

Neither is the situation in quadrant III favorable. The enterprise wants to do the repair on its own and not to assign it to the supplier (for whom it is advantageous as concerns wages), while conversely the supplier tries to

undertake the repair job (he would be at advantage in terms of wages). The position of the enterprise here is decisive--it will do the job on its own.

The above-mentioned division of possible instances of agreement and conflict between the interest of the enterprise and of the supplier concerning repairs may also be expressed numerically. For that purpose we shall use the data on wages from the preceding text.

In Figure 2 the first line in each quadrant represents the amount of wages required for repair done by the enterprise itself (15, or 10); the second line expresses wages necessary for repair done by the supplier (9.5, or 11). Symbols + and - express (in conformity with the preceding diagram) the interest of each partner in having the repair done by the supplier. The figures in parentheses express the contribution of the repair to wages payable of the enterprise or of the supplier.

Figure 2 clearly shows that the conformity of interests of both partners in quadrants I and IV makes it possible to reduce the wage demand for the repair by 5.5, resp. by 1.

Figure 2

I.

For the enterprise (12)

15. +

for the supplier (9.8)

9.5+

Difference

5.5

Agreement that the repair be done by the supplier.

Wages saved 5.5

II.

For the enterprise (12)

15+

for the supplier (9.8)

11-

Difference

4

The enterprise wants the supplier to do the job, the supplier refuses. The enterprise does the repair for 15.

Wage loss 4

III.

For the enterprise (12)

10. -

for the supplier (9.8)

9.5-

Difference

0.5

Enterprise intends to do the job by its forces, the supplier wants the contract. Repair done by the enterprise for 10.

Wage loss 0.5

IV.

For the enterprise (12)

10-

for the supplier (9.8)

11-

Difference

1

Agreement that the repair be done by the enterprise for 10.

Wages saved 1

In quadrant II, where the enterprise itself is forced to make the repair at wage costs equal to 15, there is an unnecessary loss of wages amounting to

4 only because by doing the repair under contract the supplier would make the repair at a lower wage cost (11) than the enterprise (15), but he would lose money in wages equal to $11 - 9.8 = 1.2$, and therefore, he does not accept the job.

In examples presented in quadrant III there is a wage loss equal to 0.5, because the supplier could do the job at lower wage costs (9.5) than the enterprise, but the enterprise will do the job on its own, because then it earns from AVA funds in the amount of 12, as compared with the requirements for the repair amounting to 10. This solution is advantageous for the enterprise, although the enterprise must pay more in wages than the supplier.

In terms of the repair conflicting interests of the enterprise and of the supplier, represented in quadrants II and III, may thus lead to public losses in the wage sector.

This conclusion applies only under the above-mentioned assumptions concerning the amount of wage standards, the effect of the repair on the amount of AVA and on wages required for the repair, both by the enterprise and by the supplier. If the same method (characterized by the four quadrants) is used, but the premises are different, the above-mentioned conclusions may change, as documented by an example from Figure 3, where:

Figure 3.

I.	For the enterprise (12) 13+ for the supplier (10.5) 10+ Difference 3	II.	For the enterprise (12) 13+ for the supplier (10.5) 11- Difference 2
	Agreement that the supplier do the job for 10.		The enterprise wants the sup- plier to do the job, the sup- plier refuses. The enterprise does the repair for 13.
	Wages saved 3		Wage loss 2
III.	For the enterprise (12) 11.5- for the supplier (10.5) 10.0+ Difference 1.5	IV.	For the enterprise (12) 11.5- for the supplier (10.5) 11.0+ Difference 0.5
	Enterprise intends to do the job by its own forces, the supplier wants the contract. Repair is done by the enterprise for 11.5.		Agreement that the enterprise do the repair job for 11.5.
	Wage loss 1.5		Wage loss 0.5

--we leave the wage standard (40 percent) as well as the increase of AVA (by 30) in the enterprise and thus, a contribution to wages payable (12), however,

--we change the wage standard of the supplier from 35 percent to 30 percent and the AVA increase from 28 to 35, and thus, the supplier gains the amount of 10.5 for his wages payable (instead of 9.8); furthermore, we change the wage demand for the repair.

From the example we see that the interests of the enterprise lead to losses of wages in quadrants II, III, and IV.

With different premises the wage loss may occur in all four quadrants, or vice versa--profits in wages may be noted in all four quadrants.

We know of no simple and practical mechanism which would present the development of wage loss stemming from the interest of enterprises in the accumulation of wages payable, because the same wage standard cannot be stipulated for every enterprise, nor can such prices be set that would ensure every enterprise the same volume of wages for all its outputs, derived according to the same standard from AVA.

Effect of Repair Contracts on Efficiency

Thus far we have restricted ourselves to an inquiry about the effects of contracts for repairs (by the supplier or by the enterprise) on the amount of AVA and on wages. Understandably, wage demands are a criterion which does not necessarily express--and often cannot even express--the economic efficiency of repairs. If we deliberately narrow the concept of economic efficiency to costs alone, we may use an analogical diagram to divide various variants into four quadrants.

In quadrant I it is in the interest of the enterprise that the supplier undertake the repair because that is cheaper than if the enterprise itself would do the job. The supplier is interested in the job, because it is lucrative (or above-average lucrative) for him.

The interests of the enterprise and of the supplier are in agreement also in quadrant IV. It is to the advantage of both partners if the enterprise undertakes the job: the enterprise will make the repair at a lower cost; would the supplier take the job, he would either lose or earn less than for his other work.

There is a conflict of interests in quadrants II and III. In quadrant II it is advantageous for the enterprise to assign the repair job to the supplier (if it undertakes the repair with its own forces, it would be more expensive); however, the supplier does not accept the job, because it would mean a loss or below-average profits for him. Therefore, the enterprise is forced to undertake the job by itself and at a higher cost. In quadrant III the enterprise itself does the job (it is not interested in assigning it to the

supplier, because that would be more expensive), but the supplier would gladly take the job (because it is profitable, or above-average profitable).

As in the case of wages, so in costs the decision of the enterprise and of the supplier in quadrants I and IV is socially advantageous because the variant with lower cost is used. In quadrant II the repair is done at higher costs than the other partner would charge for the repair job. An analogical case may be that in quadrant III, where the supplier's costs are lower than the costs of the enterprise, and only the profits included in the price of the repair by the supplier render the repair done by the enterprise less expensive.

Such conflicting interests of the enterprise and of the supplier lead to public losses--to outlays of higher costs than necessary. One of the causes of such public losses is the current practice where profits are not included in the costs of repairs done by the enterprise itself and as a rule, not even in administrative costs, while both those items are included in the supplier's price; this drawback may be overcome only by drastically reduced supplier's costs.

At this point one must consider that both the above-mentioned criteria (the wage criterion and the cost criterion) used in selecting the kind of repair must lead to the selection of the same variant. In terms of wages one variant may be advantageous for the enterprise, but in terms of costs and profits it may be disadvantageous. At present approximately 80 percent of wages payable are determined by AVA; even more will be based on AVA starting in 1986, when wages payable will completely depend on the development of the (changed) AVA. The determinant is now and will be in the future that of the consideration of wages before the consideration of costs and profits--before the consideration of economic efficiency. Of course, in specific cases the enterprise will carefully weigh the ramifications of higher costs and lower profits when selecting the variant which in terms of wages is of advantage to it.

Our entire consideration is based on several premises that must be respected, or they may affect the decisionmaking of the enterprises in a fundamentally different way than our conclusions:

1. There are realistic and applicable variants of the selection of the method by which the repairs are done by the supplier or by the enterprise itself;
2. Not only the specific costs of repairs undertaken by the enterprise and by the supplier, but also AVA of individual repairs done by both partners may be determined. Because it is extremely laborious, if not impossible, to determine accurately the amount of AVA in individual outputs (repairs), approximate calculations of ("modified") AVA are sufficient for practical use; such approximate calculations involve only the deduction of direct costs of materials from the outputs (consumption of materials and energy, tools, etc.), or as the case may be, also the deduction of semifinished goods manufactured by the enterprise, and the result is multiplied by a coefficient

which is less than 1, in order to express the undetected costs of materials and of services of the nonmaterial type;

3. Repairs done by the enterprise itself and by the supplier are of the same quality and their completion requires the same idling period of capital assets which cannot be used while the repairs are under way.

Expansion of the Consideration to Other Economic Operations

Our considerations pertained thus far to repairs of capital assets alone. We may conveniently use the data obtained in that process in other economic operations and thus, determine not only the positive, but also the potential negative effect of AVA on the decisionmaking of enterprises from the public viewpoint.

As regards repairs, there are the following variants: those done by the supplier and those done by the enterprise itself. The conclusions we have reached may also be conveniently applied to cooperation, if the enterprise is able to obtain materials (parts, semifinished products, etc.) from its own production or procure them from suppliers.

Again, there are two socially effective variants: conformity of interests of enterprises either in the production by the enterprise or in the delivery by the supplier. The enforcement of the interests of the enterprise results sometimes in restriction on non-lucrative cooperation, but in other instances in expanded efficient cooperation. Therefore, the rather widespread view that the interest in AVA automatically leads to restrictions on cooperation is incorrect. That is the case only if it is advantageous for the enterprise in terms of wages (or costs).

However, here again are two types of instances when the interests of both partners deviate, the usual consequence being the selection of a variant which is advantageous to one of them, but which frequently means a disadvantage to the public.

The interest of AVA, or rather, in reducing the share of wages in AVA, becomes evident in decisions concerning the range of products. Differences (often considerable) in wage demands--measured by the share of wages in AVA--necessarily exist between products (outputs). Naturally, the enterprise is interested in expanding its production of goods with below-average wage demands and in curtailing the production of other goods with below-average wages. Without closer examination it cannot be said that here the interests of the enterprise always clash with public interests. If the enterprise expands the production which is advantageous in terms of wages and also necessary for the public, AVA positively affects the satisfaction of public needs, must as in the opposite case restrictions of the production which is disadvantageous in terms of wages and undesirable for the public produce a favorable effect. Nevertheless, the effect of AVA is disadvantageous if the enterprise expands a production which is lucrative for the enterprise but of little use for society (thus, the enterprise runs into difficulties with marketing and its unmarketable finished goods are stockpiled), and conversely--and particularly--if the enterprise curtails socially desirable, even essential production which demands above-average wages.

Problems of innovation and technical development go hand in hand with the assortment of goods. New products and new technologies with below-average wage demands (here we stress again: from the point of view of a given manufacturer) are very attractive for the enterprise, and AVA supports their introduction. On the other hand, when products and technologies with above-average demands are introduced into production, wage problems develop, because the enterprise cannot cover higher wage demands for such a production from wages payable which are limited by wage standards--unless wage standards have already foreseen higher wage demands of new products and new technologies. Interests in the amount of AVA may therefore stimulate as well as hamper--even prevent--the introduction of new goods and new technologies, i.e., implementation of R&D.

Other examples of the positive and occasionally also of the negative effect of AVA, due to its use in curbing the wage development, may be quoted. Let us focus our attention, for instance, on rationalization programs. We shall proceed from the premise that they cut labor input, which lowers wage demands--thus, the enterprise obtains additional wages payable in the full amount of the savings. The outcome is the same when costs of materials are cut by rationalization programs: savings increase AVA and wages payable by the same amount, however, multiplied by the wage standard (for example, Kcs 100 saved in material consumption raises wages payable by Kcs 40, if the standard is set at 40 percent). Consequently, AVA exerts far more intensive pressures on savings on wages (labor input) than on savings of material costs and services of the nonmaterial type (and after 1985, also of interest). For that reason, production factors (value added and past labor input) are not interchangeable.

When combining wages and costs of materials, savings of material costs may be determined in some cases by the outlay of higher wages, as illustrated by the following example: savings of materials amounting to 100 increase AVA by the same amount, which in our case raises wages payable by 40; up to that amount it is advantageous for the enterprise to implement rationalization programs. However, if outlays of wages higher than 40, for instance, 55, are necessary to save the above-mentioned materials in the amount of 100, the enterprise would lose an amount equal to $55 - 40 = 15$ in wages; an enterprise that would introduce such a rationalization program would encounter problems in the wage sector, although in terms of costs and profits this rationalization is very appealing for the enterprise (costs are cut by $100 - 55 = 45$, profits increase by the same amount, and profitability is up).

The trend aimed at improving the quality of goods is increasingly emphatically enforced in all of our national economy. It is therefore appropriate to ask whether--and how--is this trend encouraged by the application of AVA in the management, especially in controlling the wage development. Prices have an important role here--higher for a good product, lower for an inferior product. Thus, of particular importance is premium pricing of technically advanced products and top quality goods, which should increase the share of products of AVA--at least in the transitional period during which this preferential treatment is applicable--and thereby reduce the share of wages in those outputs. Analogically--of course, in the opposite direction--this applies to penalties for technically obsolescent goods and third-rate products.

We shall use another illustration to answer the above question: The enterprise obtains an amount equal to 100 for a better quality product; thereby its wages payable are increased by 40. If the improvement of quality is determined by payments of higher wages, the enterprise is interested from the point of view of wages in the production of an improved product, if the required wage increase is less than 40--and more so if the wage increase is less than that; the difference up to 40 represents premium wages. However, if the improvement of the quality of the product calls for wages in an amount higher than 40, the enterprise will have problems with wages, because it has no compensation for wages amounting to more than 40. It is then logical that the enterprise will not accept the production of goods of better quality, until it succeeds in achieving--by rationalization programs, price negotiations and other measures (adjustment of wage standards, etc.)--a concession saving it from footing the wages for better quality.

There is no need to repeat that we are solving problems in a narrow sense of wages. In reality many other factors, for example, profitability of production assets, the opportunity to increase sales in domestic markets and especially abroad, etc., affect the enterprise's decisionmaking.

We could offer additional examples where the interests of the enterprise which are focused with priority on the acquisition of necessary wages payable, agree or, conversely, disagree with public interests. This involves, for instance, replacement of materials or energy connected with wage demands, purchase of tools and other needs within the enterprise or from outside sources, transportation by the enterprise's own or outside vehicles, outputs of computer technology produced by the enterprise or by contractors, etc.

Ramifications of Changes Scheduled for the Beginning of Next 5-Year Plan

Having excluded interest from AVA as of 1 January 1986, the volume of AVA will be reduced and therefore, standard rates for wages payable will increase. In the same direction, and even more intensively, follows the effect of the cancellation of the incentive wage factor and its linkage with the currently applied basic factor. These changes will also affect our considerations, but from the quantitative, rather than qualitative, point of view.

1. Where we considered the substitution of two production factors--value added (wages) and past labor input (cost of materials), the interests of the enterprise and of the public will become closer in the future, as confirmed by the following example: in the above-mentioned case the rationalization program was advantageous for the enterprise only in that case when the required wages were less than 40; if the wage standard increases as of 1 January 1986, for instance, to 52 (i.e., by 30 percent), even measures that call for wages up to 52 will be in favor of the enterprise.

2. Higher standard rates cannot change a thing in the relations of wage of individual products, but the absolute difference between them will increase. If the difference in wage demands between product A and product B is, for example, 44 and 34 = 10, then after the 30 percent increase in the standards

it will be 57.2 and $44.2 = 13$. Thus, AVA will affect even more intensively the selection of the assortment of products, innovations, technical development, quality of goods, etc., both in the positive and in the negative sense.

Conclusion

Without any doubt the enforcement of AVA in our management system represents a dramatic step toward more efficient economic operations, including control of wages payable, by intensive pressures on material costs (except for depreciations), on services of the nonmaterial type, and in the future, also on interest. Furthermore, AVA exerts an overwhelming positive effect on decisionmaking in enterprises, if the solution has several variants and if the variant which expresses conformity of interests of the enterprise and of the public is selected.

By the same token, we realize that there is no indicator applicable in our management system, especially in the sector of material incentives, that would not result in unwanted, undesirable, even socially harmful consequences in specific conditions; the same applies to the use of AVA. Again, when using this indicator in our management system, products are divided into those which are profitable for the enterprise and those which are unprofitable--and the range of profitability and unprofitability is the wider, the narrower the delimitation of the contents of AVA.

The objective of our contribution was precisely to use the example of repairs and other economic operations in order to call attention to potential adverse consequences of the application of AVA in terms of wages payable, to help identify these hazards, and to recommend the application of additional measures to reduce to a minimum the risks stemming from the use of AVA, so much more so because with the exclusion of interest from AVA as of 1 January 1986 and after the cancellation of the incentive wage factor new problems will arise, some of them of a positive nature (narrowing of differences in the evaluation of production factors and their substitution) and some negative (greater differences between products in the wage demand indicator gauged by the share of wages in AVA of goods).

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GEORGI INTERVIEWED ON MACHINE TOOL INDUSTRY AUTOMATION PLANS

East Berlin NEUES DEUTSCHLAND in German 10 Jan 86 p 3

[Interview with Dr Rudi Georgi, minister for machine tool and processing machinery construction, by Dieter Brueckner; date and place not given]

[Text] NEUES DEUTSCHLAND: The machine tool and processing machinery industry has, once more, achieved double-digit growth rates for 1985. Congratulations, minister. One can surely approach new tasks in good spirits?

Dr Georgi: The congratulations belong to the 137,000 workers in our 6 combines. It is due to their diligence and skills that our industry fulfilled and exceeded the plan. With respect to net production, we achieved a 10-percent growth, productivity rose 9.8 percent, and there were 11.1 percent more finished products for the population. Significant increases were also achieved by our export efforts, both with respect to the Soviet Union and the other socialist countries and to capitalist nations as well. The combines in our jurisdiction produced around DM 1 billion worth of consumer goods, including supplies for other jurisdictions producing consumer goods.

Daily Performance Raised to 1.5 Plus in Honor of the 11th Party Congress

As pleasant as the figures are, we have no reason or time to bask for long in the successes of yesterday. We do not overlook the fact that the share accounted for by the combines and enterprises in the total good results was quite variable. Many an item can be made better here. The 11th party congress is coming and we wish to record even better results. The pledges made at the Zeiss Combine set the yardstick for our collectives in terms of preparations for the 11th party congress.

NEUES DEUTSCHLAND: The 1986 plan indicates that your industrial area, second only to the electrotechnical and electronics industry, is expected to negotiate the steepest performance curves. Net production and labor productivity are expected to once more rise by 10 percent. This gives the international competition something to think about....

Dr Georgi: It will not be very easy, but, after all, we are in the year of the party congress and, on top of everything, we are at the beginning of a new 5-year planning period. Our performance during 1986 will determine the starting positions for the next phase of development in our country decisively, a

development which the party congress will lay out. This is why the collectives in the combines consider the above-named plan figures to be minimum requirements. Efforts in socialist competition, following thorough discussion are aimed at fulfilling 25 percent of the annual plan by 31 March and at attaining 1.5 daily production performances by the time the party congress is held as well. Naturally, this requires optimum work performance every day.

The Trend: Flexible Automation

NEUES DEUTSCHLAND: The machine tool industry has to fulfill a double function. It is an important partner with respect to rationalization in many of our combines and, at the same time, the main support of exports from the republic. In addition to the requirement to supply ever more machines and installations, the industry is faced with ever increasing quality demands.

Dr Georgi: That is true. The more consistently our industry treads the path of comprehensive intensification, as it was once more precisely outlined by the 10th and 11th Congresses of the Central Committee, the more rationalization is undertaken and the more the modernization of available equipment is done to make it into the principal form of expanded reproduction of capital assets, the more do the quantitative and primarily qualitative requirements levied on the machine tool and processing machinery industry tend to grow. The developmental trend in the metal processing industry is clearly in the direction of automation. Automation determines the features, primarily the productivity and working and living conditions of the workers in the factories of tomorrow. This is so internationally and, naturally, is applicable in our country, too.

The machine tool industry can undertake its dual function only if it offers, through its products, highly productive solutions for flexibly automated manufacturing processes. I don't wish to anticipate, but the Leipzig Spring Fair of 1986, but even more so the activation of important rationalization procedures prior to the 11th party congress, will show the performance standards which are inherent in the GDR machine tool industry. Here, we are specifically talking about facilities which make it possible to increase productivity to 500 or 600 percent!

NEUES DEUTSCHLAND: Where do we stand internationally, comrade minister?

Dr Georgi: Despite intensified competition conditions in foreign markets, our machine tool industry ranks third in international exports and sixth in the world in terms of production.

NEUES DEUTSCHLAND: Yet the competition is not asleep and it is precisely because of the increasing degree to which traditional machinebuilding is being combined with microelectronics and computer technology a particularly high rate of production renewal is being demanded. What can you tell us about this development?

Dr Georgi: During the last decade, but particularly during the past 2 years, scientific-technical development in our area has advanced at breakneck speed.

The trend toward automation cannot be overlooked. This is combined with the requirement that manufacturing technology must today not only be capable of high performance and reliability, but must, to a great extent, be applicable on a flexible basis because producers want to be in a position, even while they are automatically manufacturing one product, to use the same technology just as rationally and productively in manufacturing a new product.

Thus, for example, on an international scale the availability of processing centers for flexible automation--they represent a particularly highly efficient and highly productive technical solution for various processing operations involving a piece of work--has increased around 58 percent over the past 5 years. Naturally, this would not have been possible had not microelectronics become a natural component of machines and if industrial robots had not become the extremities of such manufacturing systems. And finally, let us refer to virtually revolutionary changes which have been brought about by CAD/CAM (computer-assisted design and computer-assisted manufacture). Even this is an essential part of the road toward the automated factory in the next 10 to 15 years.

The Tempo of Innovation Is To Increase

NEUES DEUTSCHLAND: What consequences result from this for the innovation process?

Dr Georgi: The matter is clear. The combines of the machine tool industry currently have a renewal rate of 32 percent, the Polygraph Combine has a rate of 36.5 percent, and the TEXTIMA Combine almost attained a rate of 30 percent. This innovation rate must be maintained and increased. Otherwise, one cannot keep pace internationally. Yet we must master an important problem: the economic utilization of results produced by science and technology must improve.

NEUES DEUTSCHLAND: What do you mean by that?

Dr Georgi: It still takes too long for new developments from research or from design offices to find their way into production and to be rationally manufactured following a short start-up curve. The comprehensive intensification of the entire reproduction process, the creation of modern technologies is a decisive focal point in the competition for realizing our economic strategy. We have sufficient experience and all the necessary prerequisites in order to master this. The ideological work in all collectives must also be concentrated in this direction.

NEUES DEUTSCHLAND: In other words, the producers of the most modern technology for rationalization are orienting themselves even stronger than before to rationalize things "in their own house"?

Dr Georgi: There is no more effective possibility which corresponds to our conditions for utilizing scientific-technical progress and for creating all prerequisites for being able to produce more and better machines with the same number of workers over the same period of time and also constantly improving working and living conditions. We shall apply our own CAD/CAM solutions

increasingly, we shall significantly expand our own rationalization movement, and we shall forge the alliance between the combines and science more closely than heretofore on a contractual basis.

Difficult Requirements for Every New Development

NEUES DEUTSCHLAND: You have already spoken of the qualitative changes in technology. Conventional machine tools are being increasingly replaced by processing centers and by numerically controlled or computer-controlled machines. These, in turn, can be upgraded all the way to a flexible automated production line or system. What technical and economic performance roles must, therefore, be set for new developments even as early as the time at which the duties and specifications are determined?

Dr Georgi: Our collectives--and I repeat--are meeting the challenge of the scientific-technical revolution. And we can reap our own advantages in this respect--the socialist planned economy, our clear economic strategy, organization of production on the basis of high-performance combines with high-quality workers. And as far as the process of renewal and prescribed duties are concerned, clear odds are given in the area:

- a) the use value of every new part must be 50 percent greater than its predecessor;
- b) the specific materials use must be 20 to 40 percent less, the mass-performance ratio must be, on average, about 35 percent more favorable;
- c) the producer must be able to show a worktime savings of 30 to 40 percent with regard to the new product;
- d) we expect each new development to result in a decline in specific energy use by 15 to 20 percent.

Similarly precise determinations exist for additional qualitative characteristics of a new development, including specifics of anticipated foreign exchange earnings.

How 7 Marks Can Be Made Out of 1

NEUES DEUTSCHLAND: So, in competition the extent to which every collective takes economic utilization of the newest scientific and technical findings seriously is becoming measurable and controllable in competition?

Dr Georgi: That is precisely what is at stake. Naturally, these are only guidelines which will be given very specific form in the specifications book. But anyone who wants to stay below the set goals need not even apply. This is also true of other such goals. For example, we have derived a task from the economic strategy of the party and from international developments which calls for research work to be concluded in less than 24 months and, with respect to the majority of new products, the first series is expected to carry the "Q" quality designation; we also expect to file at least 10 to 15 patent applications per 100 advanced school or specialized school graduates.

For every mark expended on science and technology, we wish to derive a production volume of newly developed products worth 7 marks this year (in 1982 we were somewhere around 3.80 marks). More than half of the new production--even that is a decisive premise--we intend to export in order to make a decisive contribution to the growth of national income in this manner.

NEUES DEUTSCHLAND: What role is played by the application of microelectronics in the intensification strategy in your industry?

Dr Georgi: The key role. We want to and must achieve a status in the next few years whereby one-half of the industrial goods production from our industry will be equipped with microelectronic instruments, in other words microcomputers, microprocessors, semiconductor memory storage units, etc. In the case of metal-cutting machine tools for the processing of prismatic components the numbers will rise now from 83 to 90 percent, with respect to machine tools for sheet metal and more massive metal-forming processes the numbers will rise from 35 to 45 percent, and with respect to machines for the processing of rotation-symmetry components the numbers will rise from the current 56 percent to 80 percent.

NEUES DEUTSCHLAND: And where will the microelectronics come from?

Dr Georgi: From the combines of the electrotechnical and electronics industry and, increasingly, from our own enterprises. Together, we have made an early start on establishing our own basis for the development and production of microelectronic components, modules, and instruments. Think of the exemplary performance in the TEXTIMA Combine, involving their own "TEXTIMA-Electronic" devices or in the "Herbert Warnke" Metal-Forming Combine at Erfurt with their special "Erfurt-Electronic" operation. This domestic manufacture of controls, for example, corresponds to the standards which exist in worldwide developments.

If there was talk before of the good international position enjoyed by our machine tool industry, then this was due, not in last place, to the concentration upon our own high performance capacities for the production and application of microelectronics in the combines, which was demanded by our party. Incidentally, in this area we plan to achieve a growth rate of 30 percent this year.

CAD/CAM Helps To Win Over 1,000 Technologists

NEUES DEUTSCHLAND: One can surely draw conclusions from this that significant progress is planned in the application of CAD/CAM technology?

Dr Georgi: Without going into detail: yes, and actually very significant progress. The required intensification effects are not attainable any other way. Just with respect to the area of technological production preparation alone we are expecting to achieve effects in the coming period which would make it possible to increase the technological potential by at least 1,000 technologists. On balance, this is a mighty task. Because the qualification of thousands of workers must proceed at the same time as CAD/CAM technology is employed.

NEUES DEUTSCHLAND: Given the complicated nature of the tasks, does optimism prevail, comrade minister?

Dr Georgi: Yes, as far as I am concerned and in all collectives. I was once more able to convince myself of this during the days the new plan started up. Workers at the VEB Knitting Machine Plant at Karl-Marx-Stadt said to me, "We are setting ourselves such high goals because we are talking about our standard of living today and tomorrow and primarily we are talking about the fact that we can work and live in peace." And this attitude prevails throughout the industry. This is also why I am optimistic with respect to the fulfillment of our obligations in honor of the 11th party congress.

5911

CSO: 2300/166

BRIEFS

STORM DAMAGES REPORTED--Berlin, 20 Jan (TANJUG)--Stormy winds, gusting up to 150 kilometers per hour, crossed the entire country on Sunday night. The fastest squalls reached hurricane force at more than 180 kilometers per hour over the top of the Harz Mountains. The violent wind was accompanied by much rain and isolated storms. Traffic had to be temporarily halted as of midnight in Rostock, Wismar, and Stralsund harbors. Damage to track and fallen trees led to obstructions, diversions, and delays in railway traffic over many routes, as for example on the stretches between Dresden and Leipzig, Dresden and Werdau, Magdeburg and Stendal, and on the Berlin outer ring. Stormy squalls caused breaks in overhead energy cables, for example in the areas of Schwerin, Suhl, and Neubrandenburg. This caused local energy supply disruptions. Repair teams are operating without interruption to rectify the damage done.

[Text] [East Berlin ADN International Service in German 0558 GMT
20 Jan 86] /9604

CSO: 2300/198

SIGNIFICANCE, OPTIONS OF TRADE UNION ELECTIONS

Budapest NEPSZAVA in Hungarian 8 Oct 85 p 3

[Article by Ferenc Sz. Varnai, research fellow of the MSZMP CC: "Common Solidarity in the Interest of Trade Union Election Success"]

[Text] Those who consider the year 1985 to have special significance are probably not in error. On the anniversary of the liberation, recalling our recent history, we were able to consider the growth of four decades. And at our party's 13th congress the decisions were born looking ahead to our future goals, weighing our opportunities.

With Different Comprehension

However, the past and the future cannot make us forget the present. In fact, this year is also a test. Seven and a half million Hungarian citizens have voted in a new way, and a whole series of enterprises have begun operating under a changed enterprise management format. The social policy has imposed new requirements on the national economy: laying foundations for considerable increases in the standard of living, moderating the price increases, preventing any decrease in average real wages. And all this in a constantly changing global economic situation.

The year is also a test for the trade union movement. In accordance with its developed practice it is getting ready to make its report and elect officers which takes place every 5 years. Nearly 5 million trade union members including several hundred thousand communists will vote, giving their opinions about the trade union activities and officers, and suggesting ways to overcome the recognized difficulties.

Now the historical responsibility again urges the trade unions to implement the role they fulfill in society, to relay the justified criticism of the workers; yet at the same time they should gather their energies to reach the goals which appear with changed emphasis. New concepts or ones which were little used in the past must be explained, old ones reinterpreted, such as social security, full and effective employment, termination of enterprises, exchange rates, price spirals, and inflation rates.

All these were discussed also at these meetings of the county party organizations where the tasks of the communists relating to the trade union elections were considered. While honoring the independence and responsibility of the trade unions, it was discussed what help the party organs and organizations could provide at the work place and at the county level of organizing, the reporting, and electing officers.

Considering the Possibilities

One of these is political support. The attention of the communists has been alerted to the fact that the trade union elections cannot be viewed as "internal matter" of the movement, but that they are significant events in our society. These provide needed opportunities to explain our intentions of wanting to improve our situation, to deliver occasional criticism, and to offer help at least. This value is increased by our present economic situation and by the fact that we are laying down the foundations of another 5-year plan. This means not only the process of planning but also taking into account, how the level of work organization can be increased at the enterprises and at every individual place of work, how productivity can be increased, and how working time and material savings can be improved.

The answers cannot just be expected from above. A significant portion of them can be answered with the cooperation of the working communities, the trade union membership, the stewards, the foremen, enterprise management and the enterprise's trade union organs. They can even be solved with the help of common consensus, based on the goals and the jobs to be done.

Well Considered Answers

The other form of help is to call attention. The experiences of preparation before the party congress and also what was heard at the party congress warn us about certain tensions that are to be expected. These may trigger impatience, influence the atmosphere of the trade union elections. That the standard of living is decreasing for some groups as does the real value of retirement pay were mentioned as such factors at the party organization meetings. Setting up a home continues to be difficult.

Arguments are triggered by the significant differences between earnings gained during the main working hours and outside of them, the population's supply of heating materials, the problems connected with energy limitations at the beginning of the year, the price changes of recent years, and the activities of commerce. It can be expected that the questions concerning vacations, social policies, taxation and retirement systems will be asked again. It may come up with reference to calculating the sick leave pay why the earnings are not uniformly taken into consideration, for example, in paying the reimbursements, and in calculating the membership fees. All these are familiar, but to give convincing answers to them requires preparation and consideration of the reasons--which gives selfconfidence--in advance and with forethought, rather than improvising at the voters' meeting or by repeating slogans.

It will probably be much more difficult to answer questions which concern evaluation of our present situation. Even among those the question of where the Hungarian national economy is today, in 1985, at the starting point of the Seventh 5-Year Plan, is of fundamental significance which affects every workplace and worker. There are optimistic views, according to which there is no reason to worry, since we have gotten over the difficult part of it, we have closed the process of consolidation, and there are no obstacles to the development. In the meanwhile others predict on the basis of the unfavorable experiences of fulfilling the 1985 plan so far that implementation of the goals accepted at the 13th party congress is in danger, and thus we are unable to satisfy the accepted social policy obligations. It is necessary for the trade union organs to take a sober, well-founded position, free of extremes and illusions, which can impartially show the real need for action, which can provide also a social and economic program to the membership--emphasized those who commented at the party organization meetings. We must not expect miracles, but if we know the difficulties and have mutual confidence and share responsibilities, together we can find the opportunities for progress at every level of production.

At the county party organization meetings attention was called to the fact that it is also advisable to protect our interests in this knowledge. It is possible that submitting the wage and price policy measures and various wish lists compiled without taking into consideration the objective limitations posed by the economic situation, demanding that they be fulfilled, and rejecting compromises, could perhaps momentarily be popular, yet they would not help, indeed they might hamper progress and the solving of the real problems. This is why it will be important to react in a circumspect manner, soberly weighing the possibilities and at the same time maintaining the respect for the organized labor movement. To decide what the trade union organs will accept as justified demands, what they consider possible to fulfill, to what they lend their name, and which ones will be those which--with acceptable reasoning--they reject. Of course, this does not mean that the imagined and real concerns should be kept quiet. Naturally every concern, request and proposal of the workers has a place at the voters' conferences. Nobody can hope to restrict these, since listening to the observations strengthens the confidence and helps discover the source of conflicts. The party organs have merely emphasized the responsibility of "providing the answers." That it should be the decisive principle for the viewpoints: the wages, prices and incomes must be weighed only by relating them to the results of production.

About the Work Done

It has been suggested that this should also be one of the basic thoughts of the workplace reports of the trade union organs. That is, it should be illustrated how the enterprise's production results in the last 5-year-plan cycle laid down the foundations for the workers' income and its social policy, what the prospects and plans for the next 5 years are. Furthermore, this must be discussed due to the fact that the evaluation of the trade union work--experience shows this--depends largely on the profits of the enterprise.

It is not necessary, they emphasized, that the trade union organs provide itemized, inventory-like reports on the work done, including the activity of the communists in it. Rather, they should evaluate the results of their decisions, implementations of their selected goals, and consequently the membership cooperation. All this should be viewed together with the given possibilities of the 5 years, comparing and measuring them in this context.

The party organizations mentioned that the organizational changes--such as, for example, changes in some county committees, modifications in the trade union county council structures--can simplify the movement's work, free it of some stages. But care must be taken that the reorganizations do not distract attention from preparation of the content, from formulating what is to be said, from looking ahead, or the ideas concerning the future. And now, all the way until the 25th congress of the Hungarian trade unions this is the next stage--they emphasized.

At the party organization meetings the invited trade union officials provided information--in addition to the organizational and content preparation of the elections--on personnel conditions. According to the preliminary indications the turnover of officials will be somewhat higher than in 1980. The performance of trade union work--as is commonly known--is not among the very easy tasks. Significant turnover can be expected especially among the stewards, which in some counties according to the estimates may even approach 50 percent. One of the important reasons for this is that there is no desire to reelect those who have proven unsuitable. But the movement needs those who have done their jobs to the membership's satisfaction, they must be convinced to accept the office.

Not by the Authority's Word

In theory, the elections provide an opportunity to solve any cadre problems. It is uniformly believed that the requirements of the trade union movement call for a definite cadre policy. This also means that the necessary compromises should not unnecessarily harm the movement under the guise of dangerous false humanism.

A close relationship can be demonstrated between the success of the enterprise operation and acceptance of office. Where there is a problem it is difficult to develop the appropriate proposal. The general experience is that greater effort is needed to have the right number of young people and workers among the candidates. We must work hard to convince some of the intellectuals to accept offices. But the number of those involved is increasing. The reasons for all this were also analyzed in the party organization debates.

How should the party's influence materialize in the cadre work? It is the obligation of every party member to have an opinion and to fight for it to prevail. But not by the authority's word, not from position, by mechanical interpretation of the areas of authority but rather by convincing, with the aid of logical and well-founded reasoning. And where things still do not happen the way they were proposed, the reasons for the trade union membership decisions must be analyzed, to determine their logic reasoning.

Naturally, it is not yet possible to summarize all the experiences of preparation and assistance given to the elections of the trade unions and the help given to them. What we know and are familiar with is reassuring. The cooperation is good; the solid foundation for this is the MSZMP CC [Hungarian Socialist Workers Party Central Committee] position of 12 October 1983 concerning the development of the trade union work and the party tasks, plus the resolution of the 13th party congress. It proves that our party at all levels relies on the trade unions, considers them helpmates and needs their participation in working out the policies, getting them accepted and implemented. And the party organizations and the communists--by giving their opinions in the important questions of political significance, by avoiding the interference of going into details--are helping the trade unions also in the counties so that they can fulfill their calling by joint cooperation based on commitment, yet by independent action.

8584/6662

CSO: 2500/56

VICE-MINISTER ON NEW FINANCIAL INCENTIVES FOR INDUSTRY

Warsaw RZECZPOSPOLITA in Polish 11 Nov 85 pp 1, 2

[Vice-minister of Finances Bronislaw Cias interviewed by Janusz Kotarski]

[Text] The government presidium has accepted a package of executive rules which constitute a continuation of the changes which the law of 31 July 1985 began in system of reform policies. Part of these rules directly affect the financing of enterprises. On this subject a PAP journalist spoke with Vice-Minister for Finances Bronislaw Cias.

[Question] Increased efficiency, savings, broader application of technical progress are only a few of the desirable forms of behavior for enterprises. Will the new rules in the economic-financial system encourage such behavior, and if so, to what extent?

[Answer] Motivating enterprises to apply scientific-technical progress, introduce innovations, save production factors and limiting the negative influence of their activities on the natural environment are the main reasons for the change in the guidelines for charging income taxes. This is an integrated system of incentives. Thus, the income tax breaks will be used to encourage scientific-technical progress in government contracts. Investments of this type, with a cycle of less than 5 years, will reduce income taxes by an amount equal to 30 percent of the expenditures incurred. Similar relief will be granted for the introduction of Polish inventions in production. It is worth adding that all the above-mentioned incentives are not subject to the rule according to which the total amount of reductions in income tax may not be more than twenty percent of profits.

[Question] But not all enterprises can get government contracts, or undertake the sometimes costly introduction of Polish inventions into production processes.

[Answer] Of course. But this is special treatment and significant preferences for innovations of particular importance for the economy. On the other hand there is a general need for the whole process of incentives; both inventors and those who put their inventions to use have a particular interest in this. The first function is already fulfilled by the principle that profits made for the first 3 years from the introduction of the innovation and due to it are exempt from taxes. A greater incentive for

inventors is the "Fund of Innovation Results" which was created last year. Enterprises will put into this fund an amount which represents the economic effect or result of the innovation (up to ten percent of the profits derived therefrom in the first year of the innovation, and eight and six percent for the next 2 years). This deduction is made before taxes, which represents a substantial preference. The Fund of Innovation Results will be intended for the authors of inventions, both within and outside the enterprise. By this means we want to provide an incentive for workers at scientific research institutes for the rapid realization of their ideas and to concentrate on research with a potential for such innovations. This linkage is especially important and should reduce the number of inventions which simply sit on the shelves.

Among the incentives for economy, aside from existing tax breaks for reducing raw material consumption, income tax breaks for more efficient use of electricity and fuels is a novelty. Its implementation would, however, require establishment of consumption norms. Their preparation has been undertaken by the Main Inspectorate for Energy Management. This incentive could reach 50 percent of the value of energy saved. The benefit is, in a way, twofold. Reducing consumption generally reduces costs, and thus increases profits, and the tax break significantly reduce the incidence of taxes on those profits.

[Question] One of the decisive factors in economic stabilization is increased exports. This is the only way to enable us to import raw and other materials and the only way to really get out of debt. Do the new rules give increased preference to export production?

[Answer] Of course, and in a far-reaching way. The changes emphasize primarily an increase in income tax breaks of up to eight percent of the value of export. I repeat, the value of export, and not the profits made therefrom. Thus the large tax breaks will benefit those enterprises which sell goods abroad that is highly finished goods, or enterprises which export to countries on a list drawn up by the Minister of Foreign Trade.

Exports of semifinished goods will in turn will get benefits of six percent of value of export, under the condition of directed sale, as before.

On the other hand, less preference will be given next year to exports of raw materials and centrally accounted materials, i.e. those needed in Poland. Here the benefits amount to two percent of the value of export.

Another important innovation is the possibility of transferring part of the tax savings due to exports to cooperative development funds. We have adopted the general guideline that tax savings from exports can only go to the development funds, or other, similar funds. This is to promote the development of export production. Hence also the tax incentives for investments aimed at increasing exports. They amount to 20 percent of investment costs. Starting next year they will be applied to investments with a 5-year term, i.e. 2 years longer than under previous rules. On the other hand,

there has been a slight reduction of preferences for increased exports. But they have been maintained and amount to 15 percent of the value of the increase in exports of highly finished goods sold to designated countries, and five percent of the increase in exports to other countries.

I should also point out another rather important change. When the general increase in benefits for exports was instituted, the size of those benefits was tied to profitability. For unprofitable exports the benefits will be correspondingly reduced.

[Question] You mentioned the possibility of transferring funds from export tax benefits to help cooperative enterprises. As is known, this is not the only innovation promoting closer cooperation among enterprises. The law of 31 July also provides for the authorization for enterprises to issue bonds. Has this matter also been given detailed regulations?

[Answer] Yes. The relevant decree of the Council of Ministers has already been prepared. The right to issue bonds will be given to state enterprises when they define the purpose for which the funds will be spent and when the proposed issue is approved by the Minister of Finances. It is essential that the enterprise's goals coincide with those of the economy as a whole. On the other hand, the bonds may be purchased by any publicly owned economic unit, especially one which would directly benefit from the project being carried out by the issuer of the bonds. Purchase of the bonds guarantees receipt of interest, accumulated from the development fund of the bond purchaser and tax free. But the bond may involve other obligations of the issuer, e.g. a guarantee to increase cooperative deliveries, introducing a new line of goods, etc. All the conditions stipulated by the bond must be fulfilled, or the issuer must immediately buy back the bond. This is an important factor introducing discipline into relations between enterprises, which places on the issuer much greater responsibility for scrupulous fulfillment of commitments undertaken partly at other parties' expense. The issuing enterprise would back the bonds with its assets, and collection of the sum due would take place according to the normal procedure.

[Question] Will the new rules be able to introduce greater discipline in enterprise finance? Much has been said about the failure of the "tight money policy", the blame being placed for example, on shortcomings in the system, or in an excessively broad scope for discretionary incentives.

[Answer] It seems that changes in the economic-financial system more clearly define the areas of preference and provide greater opportunities for enterprises which try to be more efficient and up-to-date. Attracting investments is also important here. This should reduce the often justified emphasis on granting individual incentives. Now they can be gotten in a universally binding system. This is also why we want to treat individual incentives next year as quite exceptional. However, I wouldn't want to prejudge the elimination of this item. It can remain, although, as I think, on a much smaller scale. This will make it possible to increase the role of the banks and credit through the "tight money policy."

BAKA, NIECKARZ ADDRESS QUESTIONS AT SEJM PLENARY SESSION

Warsaw RZECZPOSPOLITA in Polish 28 Nov 85 p 4

[Excerpts] Wladyslaw Baka addressed the question raised in the discussion on how the bank could influence enterprises which pollute the environment. Since, as he recalled, in addition to operating costs of enterprises there are the fines paid for polluting the environment, and the amounts of those fines are increasing, it would seem that the creditworthiness of such an enterprise would be threatened, and we all know what that means. The relevant directives will also stipulate that the banks must not allocate credit for investment without a favorable ruling from the organs responsible for water and natural resources. The bill on monetary and credit policy submitted to the Sejm included a provision forcing banks to give preference in credit to projects aimed at improving environmental protection.

On the results of the planned creation of a community of iron and steel mills, Minister Stanislaw Nieckarz said that that proposal is still being discussed. It is not directly related to allocations for the metallurgy branch. The need to subsidize the metallurgy industry comes from support of production from outmoded plants and new plants which pay a high percentage of the prices for finished goods. Official prices for metal products at present do not cover costs, yet raising them all at once would cause considerable price increases for finished goods.

The minister discussed changes in income taxes for the private sector, adjusted for inflation. Tax policy, as he said, is aimed primarily at increasing the production of goods and services. From this point of view the ministry is analysing the profitability of that sector in a timely manner; e.g. taking into account the process of inflation for this year income taxes for individuals outside the agricultural sector have been adjusted.

Presenting the systemic and organizational policies which would ensure the funds for carrying out the program of improvement, S. Nieckarz said that that is a matter for the provincial people's councils. If the appropriate expenditures are not allocated in some provinces, then the government would support that province with funds from national reserves. In general the provincial councils have so far not given enough attention to improvement, allocating insufficient funds for it.

The minister also dealt with the question of provision of funds in the provisional budget for farm price supports. As he recalled, at present the general guiding principle is that prices are formed in a triad: cost prices, procurement prices and retail prices. This has been affirmed, for example, by decisions of the PZPR Central Committee, and the United Peasant Party Chief Committee without prejudice to the relevant sums of money. The specific sums of present profitability will be known by spring. The appropriate decisions will then be made.

S. Nieckarz also presented the problem of profitability in the agri-food industry and systemic solutions affecting investments. If profits are equal to overall production costs, the profitability of this industry is substantially lower than the average for the economy as a whole. But it should be remembered that this industry is characterized by processing costs, i.e. for raw and semifinished material processing. The minister affirmed that the present financial and administrative system is adequate for concentrating and redistributing funds among branches. Taking advantage of existing rules depends upon the initiative of enterprises.

9970/12948

CSO: 2600/173

POLISH REACTION TO 41ST GATT SESSION

Warsaw ZYCIE WARSZAWY in Polish 30 Nov-1 Dec 85 p 4

[Article by (P): "Conclusion of 41st GATT Session"]

[Text] Geneva (PAP)--PAP correspondent, Edward Dylawski, writes: "The 41st session of the signatory nations to the general agreement on tariffs and trade (GATT) concluded on Thursday with a decision to form a committee which will concern itself with preparing a new round of multilateral negotiations aimed at liberalizing world trade".

The committee has until the middle of July of 1986 to prepare proposals concerning the organization of the new GATT round of negotiations. In September of 1986, the conference of 90 nations--signatories to the GATT at the ministers level should already officially make a decision about commencing multilateral talks.

According to the director general of GATT, Arthur Dunkel, these talks will be the most comprehensive ever because the number of GATT signatories has increased from the last round of talks and great changes have taken place in the world. The chairman of the 41st session, Felipe Jaramillo (Colombia), believes that the future of the general agreement on tariffs and trade signed in 1949 depends on the progress of the new round of negotiations.

In assessing the proceedings of the session during a conversation with the PAP correspondent, Boguslaw Sosnowski, chairman of the Polish delegation taking part in the 41st session of GATT and director of the department of international economic organizations at MHZ, said that compromise in the matter of creating a preparatory committee signifies that all GATT signatories--developed and developing countries as well as socialist countries perceive the danger related to the creeping in of protectionism in world trade. This is why the preparatory committee, which all GATT signatories may join, was appointed. The committee is to define the topic range, the method of negotiating and the participation of nations in this new round.

It was decided that the committee will present its recommendations at the ministerial session in September of the coming year. This means that the majority of controversial issues have not been settled and that policy decisions at the ministerial level will be required. This particularly

concerns issues pertaining to the elimination of obstacles in world trade, preferential treatment of developing countries and including services on the agenda of the coming rounds of negotiations.

"All of these matters," said Director Sosnowski, "as well as many others, such as trade with agricultural products, methods of settling disputes and the use of protectionist clauses, are very important to Polish international trade and, consequently, to the Polish economy. In connection with this, we intend to actively participate in the work of the preparatory committee. The decision of GATT to create this committee is important to our economy in that the commencement of the very important and difficult round of trade negotiations will probably fall during the period of our next 5-year plan and the further application of the assumption of our economic reform which coincide with the directions of the work of GATT."

9852/13104

CS0: 2600/219

INCREASED IMPORTS OF CONSUMER GOODS

Warsaw ZYCIE WARSZAWY in Polish 2 Dec 85 pp 1, 2

[Article by (Krys.): "Increased Imports for the Needs of the Consumer Goods Market"]

[Text] (Own information). We have purchased all sorts of goods abroad the deliveries of which are concentrated toward the end of the year. This applies both to food goods (e.g., coffee, tea, spices) and also to manufactured products which constitute a supplementation of enrichment of the all too small--in relation to the need--domestic selection.

During the current year [1985], we will have imported a total of 35,000 tons of tea, thus, 10,000 tons more than last year. Tea has become our favorite beverage and in terms of its consumption per person, we find ourselves in the forefront in the world. The largest deliveries occur during the fourth quarter.

Unfortunately, because of the shortage of foreign exchange, we should not expect to see Indian tea. However, for coffee lovers there is good news because considerable amounts of this beverage will be available in stores toward the end of this year. Trade representatives claim that there should not be any problems with obtaining it [coffee]. However, one can never tell because deliveries during the year were not systematic.

There will be somewhat more citrus fruits--a total of 30,000 tons. Mostly grapefruits have been imported. Their prices have even been lowered to encourage buying. Unfortunately, in this batch of citrus fruits, there are only small amounts of lemons (700 tons) and tangerines (900 tons). There will be enough only for the lucky few and for peddlers.

Shortly, there will be approximately 1,000 tons of raisins available in stores. They are already in the country but must be packaged. The same applies to gelatin, of which 180 tons have been imported. What is important is that it will be possible to buy items before the Holidays which have not been available in government-owned stores for so long, e.g., bay leaves, pepper, allspice, cloves, nutmeg and olive oil.

The constantly announced importing of various goods from China is becoming evident finally. For example, rice is being sold with a 20 percent discount because such large amounts have been bought. Deliveries of manufactured goods are flowing in again. However, because of their attractiveness as, for example, in the case of underwear, for the time being these articles have been disappearing immediately from store shelves. However, supplies will be so large that this should alleviate shortages considerably. We have purchased in this country [China] a lot of various items whose delivery is projected for the end of this and the beginning of next year. Thus, for example, 2.2 million pieces of terry cloth towels, 3 million sets of men's long underwear, just as many men's undershirts and warm underwear will be available in stores during this time.

In order to better illustrate the enormity of the deliveries, it should be mentioned that, for example, the import of warm underwear during the second half of this year is as large as our domestic production at that time whereas supplies of men's "unmentionables" even exceed domestic production. Deliveries of cotton underwear and garments for children and men's shirts are large. Robes, pajamas, bedding and ladies' and men's ready-to-wear clothing will be available in stores.

Of the household articles purchased in China, it is worth mentioning enamelware of which 600,000 pieces have been contracted for and should appear in stores any day now. Among them are: pots, mugs and bowls. In addition, 1 million pieces of stainless flatware prices competitively with Gerlach products were also purchased. There will also be all kinds of sports goods, toys for children, play moulding clay, crayons and pens available.

Toward the end of the year, supplies of mechanized equipment from the USSR, GDR and Czechoslovakia are larger than during the first three quarters. Thus, for example, supplies of refrigerators from the USSR (140,000 units) are during this, the fourth quarter, almost as large as the annual output from the Wroclaw based Polar (150,000 units). From China we have also imported color television sets (Rubin and Elektron).

Czechoslovakia will supply us with 15,000 juicers; 120,000 rotary washing machines will come from the GDR and a total of 100,000 units of automatic washing machines from Czechoslovakia and the USSR. According to some merchants, supplies of some imported goods will be so large that they should satisfy market demand.

9853/13104

CSO: 2600/219

PLANNING COMMISSION REVIEWS DRAFT BILLS ON INVESTMENTS

Warsaw ZYCIE WARSZAWY in Polish 2 Dec 85 pp 1, 2

[Text] (PAP) On 30 November, the Presidium of the Council of Ministers Planning Commission reviewed information along with the draft bills of the applicable resolutions of the Council of Ministers concerning:

--the results of investment verifications conducted in 1985 and the calculation of their value according to current prices as well as the approval of the verified cost estimate values, the effects and time-limits for turning them over as well as the sources of the financing of currently continued central investments;

--the establishment of procedural principles to be applied when managing assets arising from deferred investments whose implementation will not be resumed until the end of 1985;

--the defining of principles which are binding at the time of taking on heating investments in the field of professional power engineering and the sources of financing the aforementioned.

The verification of investments was combined with updating their cost estimate value based on the assessment of the cost of the actual extent of these investments still remaining to be implemented according to 1984 prices and projected prices until the end of their implementation. The above described work was conducted this year [1985] on the basis of the decisions of the Central Annual Plan for 1985 and was obligatory for all central investments and for other ventures with a cost estimate value exceeding 500 million zlotys financed with the participation of budgetary funds.

On the one hand, this work was aimed at limiting the factual range of these investments to proportions indispensable for achieving the projected effects and on the other hand, it was aimed at updating the assessment of the investment outlays still remaining to be implemented and the sources of their financing under conditions of the existing, systematic price increases on investment services and supplies.

A total of 785 investment ventures, whose current value according to projected prices is estimated at 4.5 billion [trillion] zlotys with the outlays remaining to be assumed at approximately 3.2 billion [trillion] zlotys, were encompassed by the verification action.

The examined draft plan of the Council of Ministers resolution envisages the approval of the results of the verifications, individually for the specific central ventures and also the determining of the sources of their financing including also the sources of the repayment of bank credits.

In accordance with the currently proposed deadlines for the implementation of these investments, the majority of them will be completed during the coming 5-year period including 36 between 1986 and 1987. Following 1990, only 10 central investments from the current program will be continued.

The next problem to be examined by the Presidium of the Planning Commission was the matter of managing the assets remaining currently from suspended construction whose implementation has not been resumed. It should be stressed that of the total number of approximately 1,600 investments, which under conditions of necessary curtailments of the total proportions of investing were stopped after 1980, more than 400 tasks still await the decisions of investors with regard to the ways of managing or eliminating them.

The Presidium of the Planning Commission approved and decided to submit for consideration to the Council of Ministers the draft plan of the resolution which introduces significant privileges and incentives for investors in managing assets from suspended or abandoned investments.

In a subsequent point, the Planning Commission presidium examined the draft bill of the Council of Ministers resolution concerning the undertaking and financing of heat energy ventures in the professional power engineering industry. This draft plan constitutes an indispensable and anticipated updating of the rules and regulation in this field which concerns mainly the annual and of many years standing planning of these investments as well as determining the proportions of the funds that ought to be appropriated for their financing from the particular sources. The principal directions of the draft plan, which in the very near future will be submitted to the Council of Ministers for consideration, were approved.

Members of management of interested ministries and institutions and of the NBP took part in the presidium meeting at which Vice-premier Manfred Gorywoda, chairman of the Planning Commission, presided.

9853/13104
CSO: 2600/219

PROVINCIAL ECONOMIC SECRETARIES CONFER

Warsaw TRYBUNA LUDU in Polish 2 Dec 85 p 2

[Article by Henryk Heller: "Party Responsibilities Toward the Economy"]

[Text] (Own Information) A conference of PZPR provincial committee economic secretaries was held in Poznan on 29 and 30 November under the chairmanship of Politburo member and KC Secretary Marian Wozniak. Politburo member Stanislaw Kalkus took part in the conference.

The subject of the deliberations included three topics:

--initiatives for the development of housing construction and lowering its costs;

--activity in the realm of improving the consumption of raw and other materials and energy as well as generating a movement of general economizing measures;

--the Central Annual Plan for 1986, the tools of its implementation and related tasks in party work.

Discussions pertaining to the problem matter of housing construction were preceded by visits paid by the conference participants to construction sites in Poznan. During the conference, tasks related to capital outlays and construction were formulated. The concentration of funds and technical means continues to be a fundamental problem on which the effectiveness of investment processes depends. Dispersion causes the extension of investment cycles and increased implementation costs. The next task, as stated in the discussion, is the lowering of costs at all stages of the investment process, from the drafting of plans, through their implementation and all the way to the operational phase.

In the discussion, the need for effectively combatting signs of uneconomical management and wastefulness at construction sites was stressed. The implementation of pressing tasks in the construction industry will be possible only on condition that there will be evident progress in the area of economising in all production factors.

Jerzy Wozniak, minister of materials and fuel management, pointed out in his presentation the significance of economical management and the setting in motion of still existing reserves. He discussed the effects of the implementation of the economising program for 1983-1985 and presented the fundamental tasks for the next 5 years.

The assumption of the Central Annual Plan for 1986 and the instruments of its implementation were presented by Franciszek Kubiczek, first deputy chairman of the Council of Ministers Planning Commission. He pointed out in particular that the implementation of the plan, which is deeply rooted in the realities of our economy, depends on whether and to what extent enterprises will adapt themselves to the limited increase of raw and other materials and energy. This plain truth ought to be more widely established among management and among work forces.

In the discussion, problems of the optimum use of raw material and energy resources and of the production potential were raised and attention was called to the need for improving the functionalism of employment through, among other things, the elimination of administrative overgrowths and improving work organization. Specific examples were given of not taking into consideration the economic account in the making of economic decisions by enterprises. Furthermore, tasks for party elements and economic management boards geared toward combatting such practices were formulated.

It was pointed out that the key issue in the coming year will be a more complete balancing of the economy. The proper functioning of economic mechanisms will depend on this and as a result, an improvement in management efficiency.

Zygmunt Rybicki, the under secretary of state at the Office of the Council of Ministers, presented the principles of the functioning of government agencies in new organizations and the problems involved in the work of the state administration.

In summing up the conference, Politburo member and KC Secretary Marian Wozniak outlined the crucial tasks of party work in the economy in 1986 which will be the subject of deliberations and decisions of the 23d KC Plenum. He pointed out that raising management efficiency as a result of conserving energy, raw and other materials, the functional use of work resources, better tying in of remuneration to work results and activity for restoring financial-market equilibrium should all be the subject of constant work on the part of party echelons and organizations.

Progress in efficiency of management in 1986, thereby, the implementation of the social goals of the plan depends to a considerable degree on the effectiveness of party work in this field and on the commitment of party echelons and organizations.

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MATERIALS MANAGEMENT, FUELS MINISTRY BUDGET PLAN DEBATED

Warsaw RZECZPOSPOLITA in Polish 4 Dec 85 p 4

[Article by (CH): "Economical Management Through the Prism of the Budget"]

[Text] The 5-year plan poses extremely difficult tasks in the field of efficient management. In order to achieve the envisaged growth rate, it is necessary that at least two-thirds of production growth have its source in raw material, fuel and energy conservation. This economic imperative dominated the discussion during the meeting of the Economic, Budget and Finance Plan Committee which on the 3d of this month, examined the budget draft plan for 1986 of the Ministry of Materials and Fuel Management. Less was said about the particular items in the budget and more about the tasks of the ministry and the methods of their implementation.

"The Ministry of Materials and Fuel Management as a functional ministry, became," acknowledged the Sejm delegates, "a veritable steerer of improvement in the efficiency of management after taking upon itself in 1985 the responsibility of concern for the functional use of the fixed assets of enterprises." The modifications to solutions of the economic reform, proposed for the coming 5-year period, serve to activate these processes. "However, it was stated in the joint report of the Sejm delegates, "the administrative methods of acting upon enterprises in the form of, among other things, bans on production issued by the ministry, are in conflict with the operating methods of the reform contained in the CPR [Central Annual Plan] for 1986." Minister Jerzy Wozniak debated this viewpoint claiming that both in the resolution of the Ninth PZPR Congress and in the legislative acts that expand it, the possibility of strengthening the action of the economic system by means of organizational solutions was allowed. The 156 bans on the production of goods which have been issued thus far represent an insignificant number in the presence of the 30,000 to 40,000 new products which reach the market during the year. "The bans do not hurt the independence of enterprises," added Minister J. Wozniak. "They are issued only when their [enterprise] activity harms the overall social good."

The delegates also took an active interest in the purchasing and management of secondary raw materials and expressed their approval of the program, prepared by the ministry and accepted by the Government Presidium, of developing the economy with secondary raw materials for the coming 5-year period.

After listening to explanations, the delegates accepted that part of the state budget draft plan for 1986 pertaining to the Ministry of Materials and Fuel Management. Draft plans of the budgets of the Central Office of Statistics and the Supreme Chamber of Control were also reviewed and passed.

The following delegates participated in the discussion presided over by delegate Jan Kaczmarek (PZPR): Jan Mieloch (no party affiliation PAX), Jerzy Szmajdzinski (PZPR), Cezary Wolf (PZPR), Bernard Widera (ZSL), Wieslaw Nadowski (PZPR), Wladyslaw Szymanski (ZSL), Kazimierz Paszek (PZPR), Zbigniew Kubik (PZPR), Danuta Juzala (PZPR), Julian Bartkowski (PZBR), Albin Siekierski (PZPR), Zbigniew Gessner (SD), Stanislaw Stasiak (ZSL), Mieczyslaw Fracki (PZPR), Wincenty Lewandowski (no party affiliation), Bogdan Prus (PZPR), Mieczyslaw Budziewicz (ZSL), Aleksander Legatowicz (no party affiliation), Stanislaw Kielan (ZSL), Boleslaw Struzek (ZSL).

9853/13104

CSO: 2600/219

DECREE ISSUED ON NONNORMATIVE SALARY TAX RATES

Warsaw ZYCIE WARSZAWY in Polish 6 Dec 85 p 2

[Text] (PAP) The Council of Ministers has issued a decree regarding tax rates for nonnormative salaries and the principles of determining tax-free remuneration. The principles of determining this tax have been defined in a law amended on 31 July of this year [1985] regarding the taxing of socialized economic units.

The law prescribes that, as in the principles up to now governing PFAZ liability, the future tax will be paid from profits for distribution. The base salary will continue to be that which is free from taxation (PFAZ burden). In the case of a drop in production, it will be adjusted appropriately. Enterprises will be able to create a reserve for wages and payments made from this reserve will be free from tax. Tax credits due to the conservation of raw and other materials will be retained.

The basis for taxation will be amounts paid as wages which exceed the tax-free amount during the fiscal year and not increases in relation to the tax-free amount for the previous year above the determined index of increases free from PFAZ liabilities. As opposed to the PFAZ liabilities, the possibility of using gross production gauges has been eliminated, among other things, in the principles of setting the tax on nonnormative salaries. The gauge will be net sold production or net sales.

The methods of establishing tax reductions due to export production has been changed. The reductions will pertain to remuneration paid into the cost burden and not as had been the case up to now--rewards and bonuses paid from profits.

In the decree, various methods of determining the remuneration amounts paid into the tax-free cost burden were defined, among other things. The amount of the correction coefficient was set at 0.4. For certain kinds of activity, this coefficient will come to 1.0. Economic units, in which a drop in production will occur, will use a coefficient of 0.65 regardless of the coefficient used during an increase in production.

The range of decisions, which are discretionary in character, has been limited. The amount of tax-free rewards and bonuses paid out from profits has been made subject to changes in the profit amount. The tax will replenish the central budget and not the PFAZ. The complete text of the decree is being published in RZECZPOSPOLITA in its 6 December issue.

PERSONNEL CHANGES IN FOREIGN TRADE SECTOR

Warsaw RYNKI ZAGRANICZNE in Polish No 151, 17 Dec 85 p 8

[Text] On 16 Octob4r 1985, Stanislaw Puzynski, born on 15 April 1935 in Milkowszczyzna (USSR) was appointed to the post of consul at the PRL Consulate General in Bratislava.

He completed the SGPIs [Main School of Planning and Statistics] and began his professional work in 1958. From 1959, he has been employed by the ministry of foreign trade. Recently, he held the post of vice-director of the Department of Transport and Shipping at MHZ.

* * *

On 21 October 1985, Tadeusz Ruzik, born on 26 August 1948 in Strzelin, was appointed to the post of director of the foreign trade minister's cabinet.

He completed the SGPIs and began his professional career in 1972 in the ministry of foreign trade. His most recent position was that of acting director of the minister's cabinet at MHZ.

* * *

On 21 October 1985, Stanislaw Jaros, born on 2 January 1929 in Chasno, was appointed to the post of director general of Textilimpex Sp.

He completed the WSE and began his professional career in 1947. He has been employed at the ministry of foreign trade since 1982. Recently, he held the post of director of the Textilimpex-Skorimpex Enterprise in Moscow.

* * *

On 22 October 1985, Jozef Kostera, born on 17 August 1934 in Tur, was appointed to the post of president of CEI Minex Sp.

He completed SGPIs and the University of Lodz. He began his professional work in 1953 and has been employed at the ministry of foreign trade since 1959. His most recent position was that of the assistant director at CEI Minex Sp.

TRADE MINISTER VIEWS FLOW OF GOODS

AU301437 Warsaw RZECZPOSPOLITA in Polish 28 Jan 86 pp 1, 2

[Interview with Jerzy Jozwiak, minister of domestic trade and services, by "R.Rz.": "Better Supplies, More Effective Trade"; date and place not given]

[Excerpts] ["R.Rz."] Citizen Minister, what main tasks for trade have been mapped out by the 1986 central annual plan?

[Jozwiak] The 1986 central annual plan has created the necessary conditions to ensure that 1986 sees a further stabilization and consolidation of the flow of goods to shops. The main task of domestic trade is to exploit to the full these conditions, all the more so since the market situation is for consumers an important and even basic criterion for appraising the results of the performance of the economy as a whole.

A better flow of goods means better general conditions for increasing the requirements for the effectiveness of all activities. That is why trade must not waste any opportunity for normalizing the market situation.

["R.Rz."] What will the flow of goods to shops this year be?

[Jozwiak] Let me begin by saying that there should be no deterioration in the level of flow already achieved. What is more, if we accomplish the planned tasks, we should be able to achieve this year more distinct progress in restoring market balance. This progress will be especially visible in the flow of foodstuffs.

Except for meat, the supply of which continues to increase only to such an extent as to enable us to maintain the present level of meat rations for our ever-increasing population, all other staple foods such as flour, cereal products, sugar, fats, milk, and dairy products will fully meet our needs. If the market situation develops in line with our expectations, the rationing of fine groats and chocolate will be contemplated.

I have mentioned meat. Although our freedom to maneuver in this regard is still limited, we intend to crucially expand the free sales of smoked meat by-products and smoked products made from mutton, calf meat, and horse meat. We continue to evaluate the results of the experimental free sales of meat

in three voivodships. If these results are encouraging, we will expand these sales.

["R.Rz."] Our people expect more tangible improvements in the organization and performance of domestic trade. Any comment?

[Jozwiak] We are fully aware of these expectations. Not so long ago my ministry studied the results of an analysis of almost 1,400 critical publications carried last year by the press on the subject of trade. These publications place the issue of the effective performance of trade on top of the list of issues. We know that people's expectations have increased and that they are often impatient, especially in the case of unjustified shortages of goods of which there should be no shortage. Their impatience also applies to the bad efficiency of some shops and to a lack of care for cleanliness and attractiveness. People blame the local trade organizations and the personnel of specific shops for these shortcomings, which are a result of bad organization and lack of responsibility and supervision. We will react to this resolutely in all cases warranting such reaction, but we will also bear in mind the honest, toilsome, and selfless work of a decisive majority of trade employees.

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RULE CHANGES FOR FIRM HARD CURRENCY ACCOUNTS

Warsaw POLITKYA (POLITKYA EKSPORT IMPORT No 22 Supplement) in Polish
No 47, 23 Nov 85 p 15

[Article by Jan Siebeneichen, director, Studies and Planning Department,
Ministry of Foreign Affairs: "A Cautious Step Forward"; passages in
slantlines rendered in boldface in text]

[Text] The system of related foreign exchange earnings is now almost 4 years
old. It includes (as of the end of September 1985) 2,264 production enter-
prises. Credits to retained-earnings accounts (individual and group) have
reached \$2,440 million, of which \$1,758 million have been used.

The difference between credits and debits is used in import transactions
assigned to foreign-trade enterprises. This sum also includes funds set
aside by the account holders to cover purchases for developing the enter-
prises. Imports within the retained-earnings system constitute about 14
percent of those from the second payment area.

What Rates?

Retained earnings are intended to stimulate exports by linking imports to
enterprises export successes. This purpose can be fulfilled only if the
rate of retention matches the enterprise's operating conditions. If it is
too high, it permits satisfying oneself with a minimal level of export
production to cover the required retained earnings. If the rate is too
low, enterprises search for sources of exchange earnings outside of the
system distorting it. /Statistical data, experience, and observations have
accumulated that should permit us to establish objectively a rate that
without losing the stimulating effects on export will lead to long term
planning for enterprise development, including future foreign exchange
needs./

A second crucial problem is the effect of the system of retained earnings on
the productivity of export production. Previous methods must be improved.
/The price of foreign exchange spent on imports is determined by a uniform
exchange rate for the zloty, but the cost for acquiring a unit of foreign
exchange through exports varies. This should be reflected to a greater
extent by the credits in the system of retained foreign exchange earnings./

The resolution of the Council of Ministers of 4 November 1985 on the details of the method for opening and using retained-earnings accounts deals with both problems. It establishes that "the development of the system of retained foreign exchange earnings for 1987-90, including making the rates uniform and relating the size of the retention to productivity of export will accord with the National Socio-economic Plan for 1986-90." This means the problem has been resolved by the Sejm resolution on the five-year plan, but the new methods will apply after 1987.

Small Changes in the Coming Year

For 1986, however, the rates established by the minister of foreign trade and the finance minister according to earlier principles will be retained.

/Neither a gradual change nor a general revision of current rates is anticipated during the coming year./ Inappropriate rates for the prevailing conditions, however, may be adjusted. The account holder is responsible for demonstrating the need for adjustment. Moreover, the anticipated balance of payments for 1986 will not favor increases in the rates.

Other issues were also resolved in the resolution.

/From the beginning of 1986, the system of retained foreign exchange earnings will include state and mixed enterprises, partnerships under trade law including publicly owned economic units, cooperatives or their unions, social organizations that conduct economic activities, and design bureaus with the status of legal persons./ The special regulations for pit mines, research and development centers, state higher schools, and those for inventions, technical innovations, and technical services will also remain in force.

Besides foreign exchange deposits, the resolution specifies that earnings will be retained from payments due from foreign clients discounted by domestic foreign exchange banks or payments made in other manners accepted by the minister of foreign trade. These can include shipments of foreign goods or payment of a financial debt by shipments of goods to a foreign client.

A choice between an accounting or a title form of retained foreign exchange earnings accounts has been introduced, though the domestic foreign exchange bank establishes the form at the request of the account holder. At present both types of accounts exist: accounting ones for state enterprises and title ones for most other types of economic legal entities.

Opening group accounts for retained earnings based on agreement of the interested parties remains in force. The methods for using these accounts is established in these agreements. Some of the partners in these accounts have reserved the right to use credits resulting from their exports to themselves. In such cases the group form of the account is purely formal, and it does not increase the flexibility in using the credits. Further, it

would be wise for the partners to consider changing the agreement in such cases, for increased flexibility would increase the productivity of such funds.

For What Can They Be Spent?

As regards the uses of expenditures from these accounts, the principles adopted on 18 February 1985 by the Government Presidium with two changes that expand them were retained.

Funds from these accounts may be used to pay for imports that contribute directly to production or indirectly through organizing patent protection on a cooperative basis, for equipping the industrial health service, or for purchasing professional literature (an expansion of the February regulations).

The second changes applies to the range of cooperative partners to whom the account holder may transfer a portion of the credits. Until now it was restricted to those partners who participated in export production. This limitation has been lifted. /As of 1 January 1986, account holders may transfer a portion of their credits to their partners on the basis of contracts with them./

The right of foreign trade enterprises to retained earnings from foreign exchange earned through transactions that do not involve Polish goods was also confirmed. The range of possible uses was expanded to include purchases to improve their own trade facilities with the special agreement of the minister of foreign trade.

An Experiment with Rubles

Also on 1 January 1986 a resolution of the Council of Ministers comes into effect that establishes experimental retained foreign exchange earnings accounts in rubles. Discussion of these accounts has lasted a long time, but now they have assumed a concrete shape.

The principal problem was reconciling the agreed trade levels, in trade in transfer rubles, with account holders' free disposition of retained earnings.

The formula to be tried in 1986 calls for priority for ruble account holders in agreed imports, in purchases above agreed levels with the agreement of trading partners, and in paying for the costs of participating in symposia and congresses, internships at research centers and scientific institutes from retained ruble earnings. The principles for paying for this type of travel will be determined by the minister of finance and the National Bank of Poland.

The rate of retention of ruble earnings is a uniform 8 percent for profitable exports and 4 percent otherwise.

The experiment includes enterprises that have signed bilateral international agreements, that participate in long term cooperation with socialist countries, and that are completing proexport investments. The minister of foreign trade will designate these enterprises with the advice of the other ministers. Since it is experimental, there will not be many participants.

Success will depend on the availability of goods above levels covered by interstate trade agreements. Foreign trade enterprises will play an important role.

These enterprises can retain 5 percent of earnings above the agreed trade levels. Sums earned in this manner will pay for imports needed for production for export, and to pay for improving the foreign trade enterprises' own trade facilities.

The experiment will last through 1986. During the second half of 1986 the minister of foreign trade with the minister of finance will evaluate the system and submit recommendations for the future to the Council of Ministers.

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NEW REGULATIONS GOVERNING SMALL-SCALE MANUFACTURING

Warsaw DZIENNIK USTAW in Polish No 48,30 Oct 85 pp 642-645

[Decree of the Council of Ministers of 9 Sep 1985 concerning the specific conditions for granting permission to conduct business in small-scale manufacturing by foreign legal and physical persons, DZIENNIK USTAW 1985, No 48, item 247]

[Text] On the basis of article 8 paragraph 5 of the resolution of 6 July 1982 concerning the principles for conducting economic activity in small-scale manufactures by foreign legal and physical persons within the People's Republic of Poland (DZIENNIK USTAW 1985, No 13, item 59), the following is decreed:

Art. 1. Whenever the decree speaks of

- 1) resolution, it refers to the resolution of 6 July 1982 concerning the principles for conducting business in small-scale manufactures in the People's Republic of Poland by foreign legal and physical persons (DZIENNIK USTAW 1985, No 13, item 58),
- 2) administrative organs, it refers to the local, general administrative state administrative organs at the voivodship level,
- 3) foreign economic objects, it refers to objects listed in art. 1, pr. 1 of the resolution,
- 4) permission without further qualification, it refers to permission to conduct business in small-scale manufactures mentioned in art. 2 point 1 and 2 of the resolution,
- 5) government plenipotentiary refers to the Government Plenipotentiary for Foreign Affairs for Small-Scale Manufactures.

Art. 2. 1. Application for a permission by a foreign economic object

- 1) which is a physical person should be signed by that person,
- 2) which is a legal person should be signed by the person entitled to represent it,

3) which is an unincorporated partnership should be signed by the partners.

2. If the application is submitted in person by the applicant or his legal representative, the signature should be notarized by a state notary office or a Polish diplomatic post or consulate.

3. An application for expanding the range of business can be signed by the applicant or his legal representative, if such authority is included in the power of attorney.

Art. 3. 1. Foreign economic objects that are physical persons or unincorporated partnerships must attach the following to the application:

1) an extract from the applicant's passport other identity document containing the applicant's personal data and citizenship,

2) a copy of the power of attorney defined in art. 9 of the resolution or permission to establish a representation issued on the basis of the decree of the Council of Ministers of 6 February 1976 on the conditions, manner, and organs authorized to issue foreign legal and physical persons the right to establish representations in the People's Republic of Poland to conduct business (DZIENNIK USTAW No 11, item 63, and 1984, No 26, item 133),

3) a listing of the declared monetary and material foreign exchange investments for starting all the types of business anticipated, separating construction costs, costs of machinery, technical instruments, transportation, tools, administrative inventory, and other items,

4) a copy of the partnership contract if business is to be conducted in partnership with an office abroad that is unincorporated.

2. Foreign economic objects that are incorporated must attach the following to the application:

1) a copy of the act of incorporation (statute, contract) of the corporation,

2) certification of the appropriate state organ, in whose area the corporation has its office, stating that that corporation has registered in accord with the legal regulations binding in this state,

3) the documents in paragraph 1, points 2 and 3.

3. Partnerships, created by foreign economic objects, based in Poland with the exclusively foreign participation and partnerships created by domestic and foreign economic objects based in Poland must attach the following to the application:

1) a copy of the act of incorporation (contract, statute),

2) exchangeable-currency permits to contract the partnership and to contribute shares,

3) the documents in paragraph 2, points 2 and 3.

4. A foreign economic object should submit the following to the administrative organs before receiving permission:

1) a document stating the legal title to a site (building, terrain) designated as the home address of the enterprise and for conducting business or a temporary contract or other document stating that the applicant will gain title to this site (building, terrain) after receiving permission,

2) a certificate from the Polish Security Bank that the initial deposit has been made.

5. Applications listed in paragraphs 1-3 must include explanations describing the intended business, particularly the supply of raw materials, machines, and instruments and the method of production and sales.

Art. 4. 1. Until the power of attorney mentioned in art. 9, par. 1 of the resolution or if it is revoked or death, administrative decisions and written documents concerning the intended or current business will be sent to the foreign economic object and copies to the person designated by them.

2. In the cases of the revocation of a legal representative, his death or a summons to establish a new legal representative, the foreign economic object should, as soon as possible, but no later than three months, designate a candidate for legal representative. He must be accepted by the Voivodship Office for Internal Affairs appropriate to the enterprise's home address.

Art 5. 1. Documents submitted to the administrative organs should be in Polish or translated by a sworn translator. A translation done abroad should be notarized by a Polish diplomatic post or consulate.

2. The originals of the documents listed in art. 3, par. 1, point 2 and par. 2, point 1 should be notarized. Documents drawn up abroad should be certified by a Polish diplomatic post or consulate.

Art. 6. 1. Before issuing permissions, administrative organs

1) evaluate the congruence of the intended activity with the directives of the government plenipotentiary defining the preferred directions of development of production and services, with the voivodship socio-economic plan, and with the particular economic needs of the voivodship,

2) establish, whether the declared monetary and material foreign-exchange investment suffices for starting up all of the intended types of business described in accord with the opinion drawn up at the applicant's request by an expert selected from the list of regular specialists,

- 3) request an opinion of the applicant and his business activities by a Polish economic-commercial post or consulate,
 - 4) determine whether the applicant or legal representative are listed in the Central Register of Convicts of the Ministry of Justice,
 - 5) request the opinion of the voivodship internal affairs office,
 - 6) determine whether the applicant has had a permission revoked.
2. Before issuing the opinion and after consulting the Polish Security Bank, the administrative organs establishes the size of the initial deposit.

Art 7. If doubts arise whether issuing the permission might conflict with an important social interest or the national economy or to establish particular conditions for conducting the described business, the administrative organs will consult the government plenipotentiary, the appropriate minister or director of a central institution before issuing the permission.

Art. 8. 1. In addition to the items established in art. 14 of the resolution, the administrative organs will include in the permission:

- 1) the name of the enterprise, including the first and last names or the names (firms) of the foreign economic object submitting the application,
- 2) the first and last names or name of the legal representative,
- 3) the conditions and limitations protecting important social interest or the national economy, if they are necessary in the circumstances, especially in the light of the expert opinions,
- 4) the sources for raw materials and supplies,
- 5) the deadline by which the foreign-exchange investments declared in the application are to be completed,
- 6) the pledge, before starting production and providing services, to meet the conditions established in the particular legal regulations concerning the given type of business, especially for location, construction, fire prevention, sanitation, health and safety, and the environment.

2. In the permission the administrative organ defines the object and range of business activity in accord with the classification of the national economy established by the Central Office of Statistics and with the Systematic Product List or Service Classification.

3. If according to the special regulations undertaking the particular type of business requires obtaining a special permission, the administrative organ, issuing the permission on the basis of the resolution, will include the condition that the particular type of business can start only after obtaining the special permission.

Art. 9. 1. In establishing the period of validity, the administrative organ will consider:

- 1) the type of intended business from the point of view of the national economy and the preferred directions of business,
- 2) the size of investments and their predicted depreciation period.

2. The expiration date for the permission will be the end of a calendar year.

Art. 10. 1. The range of the issued permission can be expanded at the request of the foreign economic object in cases of starting, outside of the enterprise's site, within the business described in the permission: a new plant, a subplant, an assisting plant, a warehouse, an office, a sales office that sells only the firm's products, or other assisting facilities, or a store.

2. In the case of the acceptance of or the change of partners, if this act does not lead to incorporation, are handled according to par. 1 and art. 3, par. 3, point 2.

3. In cases listed in par. 1 and 2 and in the case of each change of the contents of the permission, art 6, par. 1, point 5 applies.

4. Expanding the range of the permission onto the territory of another voivodship requires the agreement of the appropriate local state administrative organ. This organ supervises the activities of the branches and offices, mentioned in par. 1, on its territory.

5. The expansion of the permission does not require the submission of the documents listed in art. 3, par. 1, point 3 nor establishes the initial deposit.

Art. 11. 1. On application of a foreign economic object holding a permission the administrative organ, after determining the absence of any obstacles, can issue a special permission for:

1) conducting business as a separate enterprise that was previously conducted a subplant or branch,

2) starting a new enterprise,

3) undertaking business not included in the branch listed in the permission held, according to the classification of the Central Office of Statistics and the Systematic Product List.

2. In the case listed in par. 1, the regulations of art. 2-6 apply, and in the case listed in art. 1, point 1, before issuing a permission for a new business, the administrative organ will consult with the administrative organ that issued the permission for the previous business.

Art. 12. 1. On application by the foreign economic object, an administrative organ can issue a new permission if

- 1) the foreign economic object, after leaving a partnership, possesses the necessary capital goods to continue the same business,
- 2) the foreign economic object intends to continue the business conducted on the basis of the permission already held by
 - a) forming an incorporated partnership,
 - b) transforming an unincorporated partnership into an incorporated one,
 - c) transforming an incorporated partnership into an unincorporated one.

2. In the cases listed in pr. 1, art. 2-6 apply, but if the partnership, mentioned in par. 1, point 2, is based in Poland, attaching the documents listed in art. 3, par. 1, point 3 and par. 4, point 2 is not required.

Art. 13. 1. Issuing a permission to a foreign economic object that holds a permission requires he submit the document listed in art. 3, unless these documents are already in the records of the case or the situation covered in art. 12, par. 2 exists.

2. In cases listed in art. 11, par. 1, point 1 and art. 12, par. 1, point 1, the foreign economic object making application should declare a supplement to the foreign-exchange investment and the initial deposit, made in starting the enterprise from which the new enterprise is to be separated, in order to meet the minimum size specified in the resolution.

Art. 14. In evaluating the application of a foreign economic object that has gained title to a foreign small-scale manufacturing firm through inheritance, contract, or gift, articles 2-5, with the exception of art. 3, par. 1, point 3 and par. 4, point 2, apply.

Art 15. 1. If the conditions listed in art. 18 of the resolution are found to exist in the conduct of the enterprise's business, the administrative organ can summon the legal representative to remove the infringements by a given deadline, informing the owner and his representative that failure to remove the infringements will result in revocation of the permission; the organ may also summon the owner to change the legal representative, who permitted the infringements.

2. The administrative organ can revoke the permission of a portion of the type of business in which the conduct infringed the legal regulations or the conditions of the permission.

Art. 16. 1. The administrative organ issuing the decision to revoke the permission will establish the period required to close the business, no shorter than three months. The period shall begin with the day the decision becomes final.

2. The period for closing the business shall assure:

- 1) the owner can meet his obligations to the State Treasury, institutions and units of the socialized economic sector and other creditors and to the employees,
 - 2) the interests of contracting parties.
3. The decision to revoke the permission will include a clause requiring the foreign economic object within seven days from the date the decision becomes final to:
- 1) add the phrase "in liquidation" to the name of the enterprise, and
 - 2) to place in voivodship and national newspapers two announcements stating the enterprise is in liquidation and the anticipated deadline for closing the business; the announcements should be repeated two weeks later.

Art. 17. 1. After issuing all the decisions in the case of a permission, the administrative organ will, without delay, send copies of them to the office of government plenipotentiary, the appropriate treasury chamber, Polish-Polonia Chamber of Industry and Commerce, and the voivodship office for internal affairs. Copies of decisions to revoke a permission should also be sent to the appropriate branch of the Polish Security Bank.

2. Copies of decisions to permit business in another voivodship shall also be sent to the appropriate local administrative organ.

Art. 18. 1. The administrative organ shall maintain a register of the issued permissions and a register of denied permission.

2. The contents and the method for maintaining the registers will be determined by the Ministry for Domestic Trade and Services.

Art. 19. The decree becomes effective on the day of issuance.

A. Messner for the President of
the Council of Ministers

13021/9738
CSO: 2600/141

REGULATIONS GOVERNING WORKER PARTNERSHIPS

Warsaw DZIENNIK USTAW in Polish No 48, 30 Oct 85 pp 645-647

[Decree of the Council of Ministers of 4 October 1985 Concerning Worker Partnerships, DZIENNIK USTAW 1985, No 48, item 248]

[Text] On the basis of art. 86, point 2 of the resolution of 14 December 1982 about provisioning retired employees and their families (DZIENNIK USTAW No 40, item 267 and 1984, No 52, items 268 and 270), art. 43, point 43, point 3 of the resolution of 12 June 1975 concerning social services for work related accidents and illnesses (DZIENNIK USTAW 1983, No 30, item 144), art. 3, par. 8, point 2, letter a) of the resolution of 29 December 1983 on National Vocational Mobilization and Retraining Fund (DZIENNIK USTAW 1984, No 75, item 334 and 1985, No 37, item 194), art. 29c, point 2, letter b) of the resolution of 26 February 1982 concerning taxation of units of the socialized economic sector (DZIENNIK USTAW 1984, No 16, item 75 and 1985, No 12, item 50 and No 37, item 174) and art 13 of the resolution of 3 December 1984, Budget Resolution (DZIENNIK USTAW no 56, item 283), the following is ordered:

Art. 1. 1. The decree defines the principles and manner for establishing worker partnerships, referred to hereinafter as partnerships.

2. The partnerships can be organized in state enterprises, research and development centers, higher schools, design offices, and in other state organizational units, cooperatives and their unions, and in civic organizations that conduct businesses and their organizational units established to conduct such business, referred to hereinafter as economic units, for the purpose of:

- 1) establishing production or essential semifinished products, furnishing the machinery and cooperative elements,
- 2) conducting maintenance work, regeneration, and producing spare parts,
- 3) designing and introducing technical innovation, ensuring an increase in productivity or reducing the material and energy consumption of production,

4) providing services for the people and units of the socialized sector of the economy,

5) conducting retail sales or a service.

3. The members of the partnerships can work, outside of their normal, binding worktime, on unused or idle equipment and installations. Pensioners and retirees, and women on child-rearing leave can also work during normal worktime.

4. In economic units youth partnerships working for the Youth Social Action Fund can be established. The principles for youth organizations undertaking work for the Youth Social Action Fund are contained in separate regulations.

5. The conditions for conducting business by a partnership are:

1) in production and the provision of services for external recipients, the certainty of a profit above the business costs, including those of using the machines and equipment of the economic units,

2) in production and provision for the maternal unit, the costs shall not exceed those of normal worktime or subcontracting the work to another economic unit,

3) in organizing partnerships for designing and introducing technical innovations, the benefits from them must exceed the costs of introducing them.

Art. 2. 1. The partnerships may include the employees of the economic unit, retirees, pensioners, women on child-rearing leave, and members of their families and employees of their units.

2. Directors of economic units should make participation in a partnership depend on the proper performance of duties during normal worktime.

3. Members of a partnership will select from among themselves their director, who will represent the partnership and in the name of its members conclude contracts with the economic unit, referred to hereinafter as a contract of the partnership. Assigning a power of attorney to the partnership's director for representing the partnership and concluding contracts in its name is done according to the principles and manner defined in the Civil Code.

Art. 3. 1. In particular, the contract of the partnership should define:

1) the obligations of the economic unit to provide the partnership with raw materials, supplies, semifinished products, goods, fuels, energy, and spare parts in quantities appropriate to the size of the production, sales, and services,

2) the hours of work on defined days of the week (month),

- 3) the quantity of finished or semifinished products (work and services) the partnership should produce of the appropriate quality, including normal production losses and defects,
 - 4) the place and conditions of acceptance and the storage of raw materials, supplies, semifinished products, fuels, spare parts, and the final products, or goods, or the provision of services,
 - 5) the wages of the partnership for:
 - a) products, production phases, work, repairs, or an analogous variety or type of services similar to those performed by the economic unit calculated on the basis of direct and indirect unit costs from the last semiannual period during normal worktime guaranteeing profitability,
 - b) other orders, calculated according to the quantity and character of the work performed and according to the conditions of art. 1, par. 5.,
 - 6) deductions from wages for exceeding the contracted level of production losses and defects,
 - 7) the principle of responsibility for production, repairs, and work covered by the contract,
 - 8) the range of technical supervision by the economic unit and the forms of cooperation with the partnership,
 - 9) the director representing the partnership to the economic unit.
2. The Civil Code applies to the contract of the partnership.

Art. 4. 1. Wages for the partnership will be delivered to the director of the partnership.

2. The wages shall be divided within the partnership by the director in accordance with the rules established by the partnership.

Art. 5. 1. Positions that require qualifications may be filled by members of the partnership with the required qualifications or who know how to operate the machinery and equipment used in the work and who have the requisite health.

2. The economic unit's technical supervisors will control the partnership's work and decide which positions can be filled by partnership members without the appropriate qualifications.

3. The costs of maintaining technical supervision will be born by the economic unit.

Art. 6. 1. The Minister of Labor, Wages, and Social Services will exclude the wages to the partnership from the wages subject to overtime tax rates.

2. Wages paid partnerships are not subject to taxes for the National Vocational Mobilization and Retraining Fund as described in other regulations.

3. Production by the partnership should be recorded separately by the economic unit, and its value for calculating taxes for the National Vocational Mobilization and Retraining Fund is excluded from the value of production sold by the economic unit (also in calculating the production in natural units). If the unit employs a net-production-sold measure of value, then material cost, proportional to the share of the production by the partnership in the total value of production sold, is also excluded.

Art. 7. 1. The economic unit bears the responsibility for the safety and working conditions of the members of the partnership.

2. In case of an accident, the members of the partnership or members of their families have the right to social services as stated in the resolution of 12 June 1975 concerning social services for work related accidents and illnesses (DZIENNIK USTAW 1983, No 30, item 144).

Art. 8. Wages of retirees and pensioners working in partnerships are not subject to the limits stated in the decree of the Council of Ministers of 7 March 1983 concerning wages or other income earned by retirees and pensioners (DZIENNIK USTAW 1985, No 40, item 197).

Art. 9. 1. Partnerships organized by budgetary units should act as auxiliary economic units.

2. In partnerships organized in budgetary units, profits from the partnership's work will be retained by the economic unit.

3. Impersonal wages in auxiliary economic units and budgetary units that form partnerships can be exceeded by payments to the members of these partnerships within the income above plan due service provided and production above the plan.

Art. 10. Art. 6, par. 2 applies to taxes for the National Vocational Mobilization and Retraining Fund for 1984 and 1985.

Art. 11. The Decree of the Council of Ministers of 14 November 1983 concerning workers' partnerships organized in economic units producing for the market is hereby cancelled (DZIENNIK USTAW no 68, item 302 and 1984, No 39, item 203).

Art 12. The decree becomes effective on issuance.

A. Messner for the President of
the Council of Ministers

13021/9738
CSO: 2600/141

NEW REGULATIONS GOVERNING FIRM HARD CURRENCY ACCOUNTS

Warsaw MONITOR POLSKI in Polish No 32, 7 Nov 85 pp 375-376

[Cabinet Law No. 152 from 4 October 1985: "Concerning Specific Rules for Opening and Using Hard Currency Accounts in Convertible Currency"]

[Text] On the basis of article 28 paragraph 4 of the Law of 26 February 1982 Concerning Financial Management of State Enterprises (Journal of Laws of the Polish Republic: No. 15, item 74; No. 26, item 129; No. 34, item 181; No. 54, item 275, all from 1984; and No. 37, item 174, from 1985) and in connection with article 17 paragraphs 1 and 2 of the Law of January 31, 1985 Concerning Small Manufacturers (Journal of Laws of the Polish Republic: No. 3, item 4) as well as article 86 of the Law of September 16, 1982-- Cooperative Law (Journal of Laws of the Polish Republic: No. 30, item 210; No. 39, item 176, from 1983) the Cabinet has resolved the following:

1. The law designates the guidelines for establishing the amount of hard currency originating from the sale of goods and services abroad to which a business enterprise is entitled and the utilization of these funds. The law applies to state and mixed enterprises, trade law partnerships working with government run enterprises, cooperatives and their unions, social organizations pursuing economic activity, and organizational units of the "Polish Post, Telegraph and Telephone".

2. According to the law the receipt of hard currency may be:

1) The receipt of hard currency and cash in convertible currency by the National Hard Currency Bank;

2) The acknowledgement of debts in a foreign bank on behalf of an organized enterprise;

3) The receipt of clearing currency in settling accounts with countries of the second area of payment;

4) The realization of the amount due in a different form than the receipt of foreign currencies, determined by the minister of foreign trade to be the equivalent to the receipt of convertible foreign currency;

5) Credit amounts due from foreign contracting parties resulting from the sale of goods and services, recognized as adequately secured and discounted by the National Hard Currency Bank.

3. 1. The amount of hard currency at the disposal of the individual firm is the amount of hard currency received minus:

1) transaction costs, including shipment, insurance, commissions for foreign agents, and any payment in hard currency to the project originators;

2) amortization of hard currency installments and interest obtained in accordance to the contract concluded between the National Hard Currency Bank and the individual enterprise;

3) hard currency expenses due to correcting defects in exported goods or due to returned goods, with the stipulation that should there be hard currency expenses the unit of foreign trade may request that the National Hard Currency Bank deduct that portion from the hard currency account of the producer of the defective goods or services;

4) installments received from foreign contracting agents, accumulated in accounts of export installment funds kept in the National Bank, appropriated in their entirety for imports needed for the implementation of production geared toward export;

2. The amount of hard currency at the disposal of transportation and fishing enterprises and organized government entities of the "Polish Post, Telegraph and Telephone" are determined by:

1) the receipt of convertible currency from foreign contracting agents;

2) the value of transporting services undertaken on behalf of units of foreign trade, determined by carrier invoices;

3. Hard currency accounts for units of foreign trade are to be determined by surpluses in receipts in convertible currencies, obtained through re-export transactions and specific foreign trade transactions of a temporary nature.

4. 1. The rate of hard currency earned to which individual firms are entitled determines which portion of the hard currency receipts mentioned in 3 is included in the hard currency account.

2. The amount of hard currency that the individual firm has at its disposal is determined by the minister of foreign trade in agreement with the minister of finances.

5. 1. Hard currency accounts are accumulated in a separate account of the individual enterprise kept in the National Hard Currency Bank.

2. Hard currency accounts may be either of a recorded or a property nature. The nature of the account is determined by the National Hard Currency Bank at the request of the individual enterprise.

3. The individual enterprise has the funds accumulated in the hard currency account at its disposal.

4. Individual enterprises may agree to open a comprehensive hard currency account, delegating the right to administer in their name the funds accumulated in the account either to the unit of foreign trade, the association or the unit chosen from among the participants in the agreement. In this case the organizing unit is not entitled to an individual rate for the hard currency account.

6. 1. The individual enterprise may allocate the hard currency funds accumulated for the following purposes:

1) for the financing of imported supplies for current production needs, and in special cases, as a supplement to assure purchases which are encompassed by centrally-financed imports and the implementation of tasks resulting from operating programs and government orders;

2) for the financing of the importation of replacement parts and materials, as well as articles serving for the continuation of production capabilities and those of cooperating enterprises in production;

3) for the financing of the importation of machines and equipment with the goal of creating and modernizing permanent production assets or for the investment needs connected either with beginning pro-export production or the initiation of scientific-technical progress creating the possibility of export;

4) for the development of an indispensable national cooperative network and for lowering hard currency expenses incurred through the financing of imports for the production of finished goods, especially those for export;

5) for the payment of installments and interest on hard currency credits in accordance with the agreements concluded with the National Hard Currency Bank;

6) for the protection of inventive projects, the buying of licenses and scientific-technical achievements connected to production;

7) for the financing of importation of medical apparatus and equipment for the health service, providing they are undertaking production activity or services characterized by arduous conditions hazardous to health;

8) for the purchase of professional literature.

2. Transport and fishing industry enterprises and government organized entities of the "Polish Post, Telegraph and Telephone" may allocate hard

currency funds accumulated in the account for the purposes mentioned in paragraph 1 and for covering expenses connected with operating a canvassing activity as well as for the payment of installments and interest on foreign credits.

3. Units of foreign trade may appropriate the funds accumulated in the hard currency accounts for the financing of:

- 1) transactions mentioned in article 3 paragraph 3;
- 2) the importation of export production in export production units;
- 3) the importation for improving own technology of trade activity on the basis of individual decisions of the Foreign Trade Ministry.

4. Organized entities possessing hard currency accounts relinquish a portion of the hard currency funds to the hard currency account of cooperatives and other units cooperating based on the agreements concluded between them which deal with the production of finished goods or directly finances from its own hard currency account the import needs of cooperating enterprises and any units working in cooperation in the realm mentioned in paragraph 1.

5. Cooperatives and other units working in cooperation in the implementation of production may accumulate the obtained hard currency funds in accounts with the National Hard Currency Bank and appropriate them for purposes mentioned in paragraph 1.

7. 1. For the year of 1986 the rates of hard currency set by the Minister of Foreign Trade and the Minister of Finances on the basis of 5 paragraph 1 of Cabinet Law No. 134 of June 28, 1983 Concerning the Use of a Percentage of Hard Currency Receipts Gained from the Selling of Goods and Services in Export (Journal of Laws of the Polish Republic: No. 18, item 157).

2. If demonstrated that the amount of the rates are inappropriate for the conditions of 1985 the Ministry of Foreign Trade in agreement with the Minister of Finances may set the rate at a different limit.

3. Taking into consideration the standardization of rates as well as the dependence between the size of the account and the export effectiveness, the formation of a system of hard currency accounts for the years 1987-1990 will occur according to the principles determined in the social-economic plan for the years 1986-1990.

8. Cabinet Law no. 134 from June 28, 1982 Concerning the Use of a Percentage of Hard Currency Receipts Gained from the Selling of Goods and Services in Export (Journal of Laws of the Polish Republic: No. 18, item 157).

9. The law takes effect on January 1, 1986

Z. Messner in lieu of the Premier

13073/12948
CSO: 2600/166

PLANNING CHIEF OUTLINES COVERAGE PLAN, ROLE OF BIWEEKLY

Warsaw RZECZPOSPOLITA (REFORMA GOSPODARCZA No 22 Supplement) in Polish
12 Dec 85 p 1

[Article by Franciszek Kubiczek]

[Excerpts] The duties of the Office of the Governmental Plenipotentiary for Economic Reform have been assumed by the Planning Committee of the Cabinet. In connection with this, the supplement "Economic Reform" will henceforth be edited and published by the Planning Committee and RZECZPOSPOLITA.

Materials, information and essays which deal with the functioning of the economy and business in particular will predominate in the columns of REFORMA GOSPODARCZA. The main topic line will be upheld and continued.

We will treat the supplement as an instrument of dialogue between the central planner, those deciding economic matters and business management. We will broadcast our own information, appraisals and suggestions in the supplement, and at the same time ask for opinions, appraisals and suggestions from the business community. Businesses-consultants will play a role that is especially important in this dialogue. The planning committee will continue the procedure of cooperation with them which was established earlier. As in the past, they will receive for consultation information and proposals of the intended solutions in the system. In addition, there will be meetings with representatives of the government and various central institutions. We intend to broaden the scope of these consultations and meetings about issues dealing with the central plan.

Normative acts concerning economic instruments, mechanisms and parameters will also be published immediately upon being signed. They will be accompanied by complete explanations, commentary, and to the extent necessary, training materials prepared by the project authors of these legal regulations. Particular attention will be paid to the intentions and expectations which are contained in the normative acts under study.

In addition, analyses and appraisals of good and bad examples taken from business activity will be published. There will be examples of initiative, accomplishment, development activity, sound economic thought as well as examples of inefficiency, short-sighted activity, lack of economic discipline,

particularly those concerning economic relations. Circumstances which inevitably lead to a collapse of a business will also be discussed.

We will try to take full advantage of the Planning Committee's information base and publish problematic and macroeconomic appraisals meant for business management personnel. These appraisals will chiefly cover the economic situation of the country together with indication of potential trouble, irregularities, and deviations in the implementation of the central plan. In addition, there will be discussions of economic policy assumptions and problems, both current and long-range with special regard paid to the program of structural changes, scientific-technical progress and activities aimed at saving materials, fuel, energy and raw materials.

The supplement will disseminate the experience of socialist countries in improving the functioning of the economy. It will also discuss issues of the integration process into the framework of the Council of Economic Mutual Assistance, such as the creation and functioning of joint enterprises, joint investing and technical ventures, the development of direct connections between Polish businesses, scientific-research units, planning-construction units and their counterparts in socialist countries.

In theory, REFORMA GOSPODARCZA will continue to be a biweekly. However, when the need arises it will appear more frequently. The Planning Committee and RZECZPOSPOLITA plan for some issues of the supplement to be devoted in their entirety to one topic. Supplements in the near future will be devoted to the problems connected with the bestowing of awards, workplace economic groups, and various other topics.

The Planning Commission is counting on the cooperation of the readers very much and for this thanks them in advance.

13073/12948
CSO: 2600/166

BRIEFS

GENERATOR FOR NUCLEAR POWER PLANT--In the lower Silesian Electrical Machine Building Plant "Domel" in Wroclaw construction has begun on a 500 MW turbo-generator intended for the first Polish nuclear electric power plant in Zarnowiec. This will be the largest electrical machine built in Poland. The 500 MW turbogenerator was designed by the "Domel" design bureau, adapted by licence from a design of the Swiss firm BBC. During the first phase of of production the "Domel" construction crews will process many parts, equipment, body plates, etc. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Nov 85 p 1] 9970/12948

MACHINE TOOL COOPERATION WITH USSR--Vicepremier Zbigniew Szalajda recieved the Soviet minister for the machine tool industry, and chairman of the CEMA Committee on Cooperation in the Machine Industry, Boris Bal'mont. The discussion dealt with matters relating to enhancing cooperation within CEMA and on increasing mutual deliveries in the machine tool area. Also discussed were problems related to enhancing scientific-technical cooperation and setting up joint organizations to increase cooperative deliveries between the two countries, as well as modernizing and improving the selection of goods produced. Soviet ambassador Aleksandr Aksenov participated in the meeting. [Text] [Warsaw ZYCIE WARSZAWY in Polish 21 Nov 84 p 6] 9970/12948

NEW GANTRY FOR PORT--The teams of Mozostal Poznan and Elektromontaz Szczecin have completed installation of a large gantry on the modern crane on Hutnikow Embankment at Swinopot. Also involved in the operation was the largest floating crane in Poland, which belongs to the Polish Ship Salvage Enterprise of Gdynia. The new crane will be used to unload ore from the largest ships visiting the port of Swinoujscie. Together with the enormous gantry it is 72 meters high, the highest such piece of equipment at any port on the Szczecin coast. It will be able to unload 70,000 tons ships, some of which are already in service in the Polish Steamship Company [PZM], and whose number will continue to increase in coming years. The crane's daily output is more than 24,000 tons. This will considerably shorten the time spent on unloading large ships. [Text] [Warsaw ZYCIE WARSZAWY in Polish 23-24 Nov 85 p 6] 9970/12948

POLISH-ITALIAN AUTO INDUSTRY TALKS--A delegation of the Polish auto industry, led by Janusz Maciejewicz, minister of machine industry metallurgy. The delegation held talks with the management of FIAT, devoted to cooperation

between Poland and that company, especially as regards prospects for cooperation in production of low and medium power passenger cars. [Text] [Warsaw RZECZPOSPOLITA in Polish 21 Nov 84 p 1] 9970/12948

POLISH-PAKISTANI MINING, ENERGY DEAL--A delegation of the Ministry of Water and Energy of the Islamic Republic of Pakistan has concluded a visit to Poland. On 22 November the head of the delegation, Minister Mir Zafarullah Khan Jamali, was received by Vicepremier Wladyslaw Gwiazda. On 22 November the Pakistani guest and Viceminister for Mining and Energy Ryszard Buchowiecki signed a protocol which provides for a significant increase in Polish-Pakistani cooperation, including technical cooperation, in mining and energy. [Text] [Warsaw TRYBUNA LUDU in Polish 23-24 Nov 85 p 2] 9970/12948

FOREIGN TRADE MINISTRY--Warsaw, Jan. 25--On the motion of the foreign trade minister, the prime minister appointed Helmut Stefan Floeth, an economist, to the post of under-secretary of state at the ministry. Helmut Stefan Floeth, 50, was born in Dortmund. He earned his degree in economy at the Warsaw Main School of Planning and Statistics. For over 28 years now, he has been working at the Foreign Trade Ministry, holding managerial posts in Poland and abroad. Recently, he was deputy head of a department at the Foreign Trade Ministry. [Text] [Warsaw PAP in English 1713 GMT 25 Jan 86 LD] /6091

TONNAGE CARRIED BY STEAMSHIP COMPANY--Half a billion metric tons of goods have already been transported by the fleet of the Polish Steamship Company [in its history]. The loading of the symbolic half-billionth metric ton took place today in Swinoujscie on the ship "MS Walka Mlodych." [Text] [Warsaw Television Service in Polish 2025 GMT 30 Jan 86 LD] /6091

LIGNITE MINE EXTRACTION--At the Konin lignite mine, the 250 millionth metric ton of coal has been extracted. [Excerpt] [Warsaw Television Service in Polish 2025 GMT 30 Jan 86 LD] /6091

REGIONAL INSPECTORATE FINDINGS--Activity for the protection of the interests of consumers and [protection of] public property, undertaken by the regional inspectorate of the State Trade Inspectorate (PIH) in Poznan, was the subject of today's conference attended by PIH Chief Inspector Piotr Ostaszewski; Deputy Voivoda Tadeusz Zajac; and the director of the NIK [Supreme Chamber of Control] delegation in Poznan, Jozef Adamczyk. The head of the regional inspectorate, Wacław Wierzbicki, reported that 2,000 check-ups aimed at combating speculation in the trade network were conducted last year as well as 5,000 quality control checks. One thousand cases were submitted to the courts and the penal-adjudicating courts [kolegium karno-orzeka-jace]. A lowering of the prices of goods not corresponding to the stated quality--by 9 million zlotys--was ordered. Inspections were carried out at 150 shops last month, of catering establishments and service premises. Again, several dozen irregularities were revealed. Such activity will be continued in the present year with stepped up intensity, in conjunction with other organs of control, inter alia the worker-peasant inspectorate. [Text] [Wroclaw Domestic Service in Polish 1607 GMT 31 Jan 86 LD] /6091

'DRY PORT' TRANSSHIPMENTS FROM USSR--(PAP) During the first 10 months of this year the crew of the country's largest land port Zurawica-Przemysl-Medyka has already received 9.5 million tons of raw materials and goods delivered to us by the USSR. This is more than 800,000 tons more than foreseen in the plan. Recently the deliveries have been greatly increased and the rate of deliveries has yet to slacken. During the past 24 hours the port has received more than 35,000 tons of various shipments. Soviet trains regularly arrive in Medyka and Zurawica bearing refined concentrates of ore and open-hearth pig iron for Polish steelworks as well as other goods. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Nov 85 p 2] 13073/12948

CSO: 2600/166

ACADEMY PRESIDENT REPORTS ON VISIT TO GREECE

Tirana ZERI I POPULLIT in Albanian 26 Dec 85 pp 3-4

[Article by Prof Aleks Buda, president of the Academy of Sciences of the People's Socialist Republic of Albania: "Visit to a Friendly Country"]

[Text] The invitation which the Academy of Athens, the National Academy of Greece, directed to us some time ago to make a visit and to deliver a scientific address there, was a friendly gesture of the neighbor country's high level center of culture toward our Academy of Sciences. It gave us the opportunity during our stay to visit a number of institutions of the academy and to become acquainted with their activity, also to conduct fruitful negotiations related to the possibility of cooperation between our two institutions in a number of fields.

It is understandable that this trip and its purpose aroused special interest on our part. We were going to the hearth of an ancient and enlightened culture, to the homeland of great figures who represent centuries of world culture. We were going to a land which has fought for freedom down through many centuries, from legendary Thermopylae to the battles of the people's struggle for independence of 1821 and of the great war against the Italian and German fascist slavemasters; and we could not forget that in many of these historic events and encounters the people of our two countries had stood alongside one another in battle against our common enemies. As Comrade Enver Hoxha said, with the keen analysis of a historian and the lively experience of a contemporary and participant in the most dramatic events of the time, these were the circumstances which created the objective factors which stand at the foundation of the friendly feelings of the two peoples. Historical experience has made it plain that the true interests of nations are represented by those social factors which attempt to realize the basic tasks of the time: socio-political liberation, material and cultural progress, the free and independent development of the country, peaceful cooperation among peoples. Regardless of obstacles, historical experience shows us that there have always existed circumstances and reasons which make this cooperation possible. History is a witness that from these relations have come a chain of fruitful impulses which have had a positive influence on the mental and cultural life of our countries, as always happens when people have the possibility of adopting new progressive ideas by common cultural work.

Devoted to this road of receiving and giving in its different aspects was the address "Albanian-Greek Meetings Under the Sign of Illuminism in the 19th Century," which was delivered before the plenum of the Academy of Athens with the attendance of Greek and foreign scientists, also other personalities, friend and well-wishers of our land. It outlined the road of Greco-Albanian cultural and political relations from the Middle Ages and paused especially in the middle of the 19th century, when the Albanian cultural and socio-political movement entered as a self-determining factor in a new higher stage in the ranks of Balkan liberation and democratic movements. On the road of warfare for liberation from political slavery and intellectual and spiritual shackles of the common enemies, the regime of the sultan and his ally the patriarch of Constantinople, the Renaissance figures of the Balkans and all this region including Greeks and Albanians, sought and found weapons in the militant ideology of western Illuminism. It was not by chance that the first Albanian ideologists such as Naum Veqilharxhi, Thimi Mitko, Jani Vreto, Kristoforidhi and after them Ismail Qemali, Naim and Sami Frasheri, in the struggle for the national rights of their own people, as likewise the Greek Renaissance figures used those same arguments against the universal medieval concepts, that it was not religion and state's rights which determined the destiny of a people.

From these common progressive positions the Renaissance figures developed their efforts; consistently they pursued these principles even when they were obliged to direct criticism and finally even warfare against those who had formerly been their own teachers. With this the Albanian Renaissance affirmed its own maturity and ideological and political emancipation, beginning, as was natural and understandable with the concrete socio-historical conditions of their own homeland. History has never been a smooth flow of events; the dialectic of class societies brought it about that the history of our two neighboring peoples in the 19th century knew both ideological contradictions and conflicts, often incited by external factors expressed negatively to the harm of the two peoples. Impressing you today, even as it did not fail to do among those who heard their addresses, was the mental consistency with which J. Vreto, Thimi Mitko, P. Vasa, Thimi Brandi presented the historico-scientific and political arguments which sought and made possible cooperation of Albanians with their Greek neighbors and vice versa. Not a single bit of harm could come to the Greek people from a liberated and independent Albania. Of this opinion were also a number of figures of Greek political thought of the time, among whom the traditional feeling of friendship toward the Albanian people found expression; such were Z. Sotiriu, L. Vulgaris, A. Gudhas, the first Greek specialists, the Albano-Greek Panajot Kupitori, A. Kullurioti and others. These feelings and thoughts found an especially inspiring expression in the poem of our great poet Naim Frasheri, "The True Desire of Albanians." They were quotations from this poem which closed the address amid the applause of the auditors.

It was a great pleasure for us to hear viewpoints similar in tone expressed in the speech by which the President of the Academy of Athens Prof Dr Lukas Musulas presented and greeted our delegation before the audience. His words were nourished by the traditional feeling of the Greek people for our people. It was not only these, but also the objective circumstances of the times which according to his words, sought to bring a closer fellowship among the

scientists of the two countries. In the conversations which developed among the representatives of the two academies, we emphasized that regardless of the fact that there may exist certain differing viewpoints on a number of matters, especially in the historical sciences, we think that a better acquaintance with the results of research carried out by the scientists of the two countries in different fields, the exchange of experience gained and constructive debate about them, constitutes a very valuable road. The widening and deepening of scientific relations between our two countries will be able to serve this purpose. In the field of history such an attitude of cooperation, for example, would be able to help build relations between the two peoples in the objective manner which the interests of the people themselves demand.

Corresponding to these viewpoints were the opinions expressed by the president of the host academy, who stressed the interest of the Academy of Athens in each cultural and scientific activity on an international scale, a matter expressed in the signing of agreements of cooperation with a number of academies, among which the Academy of Athens wished to have an agreement also with the Academy of the People's Socialist Republic of Albania (RPSSH).

These benevolent attitudes of both parties, and of the governments of the two respective countries, made it possible on November 28, 1985 to sign at the seat of the Academy of Athens an agreement of cooperation between the Academy of Science of the RPSSH and the Academy of Athens. The signing was accompanied by a solemn act in which a representative of the Ministry of Foreign Affairs of the Republic of Greece and of the RPSSH also participated. Signing the agreement, both parties expressed the wish "for a prosperous and fruitful cooperation" between the two institutions, a thing which would also serve to strengthen cooperation between the two neighbor countries and the two friendly peoples.

The conference held at the seat of the academy, the ceremonial act of signing the agreement and the many cordial meetings which our delegation had on different occasions with distinguished personalities of scientific and cultural life, as well as political circles and Greek journalists, gave us the opportunity to ascertain the broad sympathy which our country and its friendly policy toward the neighbor country enjoys in the broadest circles of Greek public opinion. Especially warm were the meetings with a number of Greek scientists of different disciplines and institutes who have visited our country over the years, invited by our Academy of Sciences on the occasion of national or international conferences. All of them cherished very warm memories of the reception which they found in our country and highly valued the achievements of our science in different fields, such as, recently, the Assembly for Illyrian Studies.

Especially worth emphasizing was the meeting with the minister of foreign affairs of the Republic of Greece, Mr Carolos Papulias, who, in the two meetings which he had with our delegation expressed himself in a very warm and cordial manner in regard to the agreements between the two peoples and out lands. Responding to our thanks for the honor shown by his attending

the address held at the academy, regardless of its length, the minister emphasized that this was truly a visit to scientific character, but it should not be forgotten that it also had a political significance for both parties, because it helped to further deepen the friendly agreements not only of scientists, but also of the two peoples and our two lands. In this direction the scientists and men of culture and the arts generally in the two countries have a special role. He emphasized that he wished such visits and conferences were more frequent, and voiced the desire to help in any way in this direction. On our part it was emphasized that even with the difficult conditions of the past we have certainly given importance to these agreements, as evidence by the number of invitations extended to Greek scientists.

The delegation made a number of visits to certain study centers near the Academy of Athens, also to different museums of archaeology and medieval art. These visits showed the high standard attained by Greek science, and on the other hand, the great interest which Greek scientists of different fields display for closer agreements of cooperation with scientific institutions of Albania. Many requests were made for exchanges of scientific literature and for visits to our country, not only in the field of history and culture, but also in the biological, natural and other sciences. The two countries have many similar or common conditions. In this direction the signing of the agreement of cooperation between the two academies met with general approval which we even came across in the university circles of Athens, Ioannina, etc.

A visit to Athens and to Greece generally would not be complete without devoting attention also to the many monuments of art and culture, to the beauties of nature for which this land is so rich and famous. And even if it were not the first time, a visit to the Acropolis cannot fail to leave deep, unforgettable impressions. Standing in the center of the city, the majestic rock endowed with immortal monuments is everywhere present; it is seen from every part of the city; on it fall the first rays of the sun and from it fade the last. Although the great masterpiece of Phidias is missing today, the statue of the goddess who gave the name to the city, Pallas Athena, lives and will live forever, the goddess of wisdom, knowledge and science. With adoration we climb the steps which take us to the masterpieces of world art, but we go with adoration also toward that place where the freedom-fighters with courage raised the national flag in the dark night of fascism as a sign of the triumphant future. Great work is being done at the Acropolis for the protection of endangered monuments.

The visit to Cape Sunion awakens unforgettable emotions: to stand on the heights washed by the light at the base of the Temple of Poseidon, to see the endless breadth of the azure sea, makes you immortalize the deep emotions. With friends and Greek colleagues we recite the majestic verses of Homer and their heavy epic tolling makes us see in the azure blue of the sea at our feet the vessel of the shipwrecked Odysseus who, beaten by the waves, seeks the way to the homeland. And the eye thirsting for poetry discovers on a hidden edge of a classical column the name of the great Byron, poet and friend of freedom-fighters, Greek and Albanian and wherever they were. He left here his own modest signatures: "Byron 1815."

You cannot set your foot anywhere in Greece without encountering history. In the old city of Ioannina we pass with special excitement, with a feeling of emotion, through the streets and alleys, seeking the old Zosime school. We are moved with emotion when we remember that this pavement was trodden in the past by the feet of Jani Vreto, Kostandin Kristoforidhi, Ismail Qemali, Abdyl, Naim and Sami Frasheri. Majestic, epic in its kind is the fortress of Ioannina: stone, harsh rock, washed with blood, that fortress about which we long ago as children in distant Elbasan sang the song learned from our mothers: "O fortress with battlements / what a lion you have within, / Ali Pasha with seven hearts."

But it is not only the pulse of history which beats in Ioannina. It is a lively city where new scientific forces are setting on its feet a new active university, full of initiative. There we find deep friendly feelings. The address was given there with a very wide attendance from very different circles: professors, students, ordinary people and friends from our country.

Escorted by the Rector of the University of Ioannina Professor Dhimitrios Metaxas and other colleagues and friends, we leave this city taking the best and warmest memories, as from all of Greece. Crossing the state frontier at Kakavije by night, we remember on this occasion another episode with much significance. In the ceremony of the opening of this border point, which was turned into a popular festival, professors of the university also took part, and one of them sent us a very meaningful gift: one of his books for his Albanian colleagues.

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CSO: 2100/17

CHNOUPEK DISCUSSES DISARMAMENT WITH FRG'S GENSCHER

LD051636 Hamburg DPA in German 1531 GMT 5 Feb 86

[Excerpts] Karlovy Vary, 5 February (DPA)--Czechoslovak Foreign Minister Bohuslav Chnoupek has today stressed the common responsibility of the Europeans for security and disarmament, which FRG Foreign Minister Hans-Dietrich Genscher has repeatedly emphasized. During the German-Czechoslovak talks at the foreign minister level in Karlovy Vary, the ministers conducted a thorough discussion of opportunities for contributing jointly to success in the Stockholm disarmament conference, the Vienna talks on troop reductions and the CSCE process as a whole. The central organ of the Czechoslovak Communist Party, RUDE PRAVO, praised Genscher's initiatives on the same day.

At this 12th German-Czechoslovak meeting between foreign ministers, Chnoupek stressed the "mutual interests" in an expansion of bilateral relations. Genscher expressed the hope that it would be possible to conclude the environmental agreement, which has been in preparation for a long time, by the summer. At the same time, however, it was made clear that the Prague Government has not yet been able to decide to accept the German demand to include West Berlin.

On the subject of the most important German demand, the worldwide banning of chemical weapons, on which discussions are currently being held in the UN Disarmament Committee in Geneva, Chnoupek repeated in an after-dinner speech the East's view that regionally limited agreements should be made ahead of any eventual agreement.

For the German foreign minister, who wants to make the meeting in the CSSR the starting point for a new series of contacts in connection with Ostpolitik this year, it is especially important how the Czechoslovak leadership evaluates the East-West situation after the Geneva summit. Chnoupek here called insistently on the West to take the disarmament proposals made by Soviet Party Chief Mikhail Gorbachev seriously. However, this presupposes a renunciation of the U.S. Strategic Defense Initiative.

In this connection, the CSSR foreign minister pointed to the moral obligations of the "spirit of Geneva" to "rise above the tactical calculations of the general staffs." Genscher replied that the aim was "to prevent the arms race in space and to end it on earth."

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CSO: 2300/210

PRESS RELEASE ON 4-6 FEB LIBYAN PRODUCERS VISIT

AU070958 Prague PRACE in Czech 6 Feb 86 p 3

[CTK Report: "Press Release on the Sojourn of a Delegation of the General Congress of Producers of the Socialist People's Libyan Arab Jamahiriya"]

[Text] Prague (CTK)--A three-member delegation of the General Congress of Producers of the Socialist People's Libyan Arab Jamahiriya, led by Secretary Ali Faraj al-Gabsi [spelling as published], on 4-6 February paid a visit to Czechoslovakia at the invitation of the Central Trade Union Council [URO]. For the Czechoslovak side, talks with the Libyan guests were conducted by URO Secretary Viliam Kozik and by Emil Gorchol, head of URO's International Department.

During their talks, the representatives of the two organizations briefed one another about the most important tasks of the trade union movement in their two countries, assessed the cooperation to date, the positively developing relations, and affirmed the interest in strengthening and deepening them further.

When assessing the current international situation, the representatives of the Czechoslovak and Libyan trade unions paid exceptional attention, in particular, to the situation in the Middle East. They expressed strong alarm over the escalation of tension in the area, especially over the gross provocations directed against the independence and sovereignty of Arab countries. In this connection, they sharply condemned the continuing preparations of the United States and Israel for an armed aggression against the Libyan Jamahiriya--above all the continuing provocations off the Libyan coast--and other forms of pressure on that Arab country, including air piracy and state terrorism, proof of which was also the recent airjacking of a Libyan civilian aircraft by the Israeli Air Force, carried out with direct U.S. support. They resolutely demanded an immediate halt to these provocations which constitute a grave danger to all states in that region and to world peace.

In this connection, the two sides depicted efforts aimed at maintaining peace and averting nuclear catastrophe as the fundamental question of mankind's future. They fully supported the principled policy of the USSR and the other socialist countries aimed at eliminating dangerous hotbeds of international tension, halting the arms buildup, and at peaceful cooperation in outer space. They, in particular underscored and expressed unequivocal support for the

exceptionally weighty initiatives of the Soviet Union, contained in the statement of CPSU Central Committee General Secretary Mikhail Gorbachev of 15 January 1986, whose essence is to rid the world of nuclear and chemical weapons by the end of the century, and substantially limit the current volume of conventional weapons and armed forces.

The representatives of URO and the General Congress of Producers affirmed their solidarity with the struggle of all progressive and revolutionary forces in Asia, Africa, and Latin America against imperialism, neocolonialisms, Zionism, and apartheid, against the policy of monopolies and all forms of exploitation of man by man. They favored the liquidation of dangerous hotbeds of international tension in the world and a just settlement of conflicts on the basis of an unconditional right of nations to a free path of their development and non-interference in internal affairs.

At the end of the talks, the two sides expressed full satisfaction with the course and the results of the visit. The Libyan delegation expressed thanks for the hospitality and friendly reception accorded to it in Czechoslovakia.

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CSO: 2400/187

OMISSIONS, FAILURES OF IDEOLOGY FRONT SCORED

AU121224 Bratislava PRAVDA in Slovak 10 Feb 86 p 1

[Editorial: "Socialist Conviction"--Uppercased words published in wide-spaced type]

[Excerpts] The shaping of socialist awareness and conviction, which is the integrating nucleus of the socialist way of life, represents an unusually complicated process that is full of internal contradictions. This fact has been confirmed by the entire practice of building socialism so far. Now, in the period of building a developed socialist society, it is getting into the focus of our interest with new urgency.

In this connection, we would like to look at one problem, the incorrect perception of which brings about stagnation, and sometimes even defeatist attitudes, in an area of such importance as ideological influence, ideo-educational work.

For a relatively long time already, we have felt the essential need to radically raise the overall standards and quality of ideological work, and, consequently, to raise its efficiency and flexibility. Let us recall what the CPSU Central Committee session of June 1983 had to say about this problem: "Our entire ideological, educational, and propaganda work must be resolutely raised to the level of the grand and complex tasks which the party tackles in perfecting developed socialism.... We see clearly what grave damage is caused by shortcomings in this work.... On the other, we feel exactly even now how advancement accelerates when ideological work becomes more effective, when the masses arrive at a better understanding of the party's policy and identify with it because it corresponds to people's basic interests."

We rightly note that many positive results have been achieved lately due to the activation of the ideological front. The quality and effectiveness of ideological influence have improved. But let us ask: Is this true of the ENTIRE system, of ALL its components?

Let us look, for example, at the quality of results and the level reached in party education. Are ALL the advantages and potentials of the current system of party education being utilized?

We believe that far greater attention must be paid to individual subdivisions and to their genuine links with practical life. Transition must also be made from solving global, general problems to those of specific nature. We must not indulge in "solving" problems that have already been resolved--or, to be more accurate, about which we are clear in principle--at the expense of real and frequently very burning problems. In other words, we must step from heights down to earth, improve the quality of ideo-educational work, and raise its impact on the convictions and deeds of individuals. We must examine to what degree individuals, that is, specific people, are capable of approaching the solution of problems in a dynamic way, in accordance with the requirements of present times. This means nothing else than that we must examine with the necessary headstart the extent of their ability to predict and "overtake" developments.

Or let us look at another important area of ideo-educational work--the professional and political training, education, and upbringing of young people at the institutions of higher learning. Virtually every deliberation of communists at CPSL members' meetings and conferences in the educational sector and at the institutions of higher learning in particular, has drawn attention to the formidable and LONG-LASTING disproportion between the students' educational level and the crystallization of their world outlook. Time and again we come across the discovery that young people are capable of acquiring a certain sum of knowledge, propositions, and tenets but are no longer capable of translating them into active viewpoints and standpoints and of applying them in dealing with everyday problems. They have not become the cornerstones of their conviction and an impetus and criterion for their conduct.

This is not a problem or deficiency that concerns the institutions of higher learning alone. The fact is, however, that this is where the entire process of shaping one's world outlook culminates. That is we must not endlessly merely note the existence of problems, but must SOLVE them radically and expeditiously.

Frequently, one can also hear an incorrect interpretation of the proposition that the shaping of socialist awareness and conviction is a long-term process. The fact that the result of ideo-educational work is not manifested immediately, overnight, that this work requires a maximum degree of patience, that it is arduous work, and so forth, cannot and must not serve as a justification for those who have for a long time been achieving in it no or only scant results.

In shaping socialist conviction, considerable untapped potentials also exist in mass-political work. We still forget the forcefulness and persuasiveness of direct, authentic and nonanonymous agitation.

We also cannot fail to notice the fact that some ranking employees who are party members seem to consider it almost their duty when charged with an economic function to de-politicize the manner of their thinking, acting, and doing things. It is as though they viewed ideology or politics as an obstacle to, rather than as one of the most important means and prerequisites for, the fulfillment of economic tasks. They leave ideological and ideo-educational work to "others" and lose touch with primary party organizations.

CPCZ LEADERS ATTEND REGIONAL PARTY CONFERENCES

LD151216 Prague Domestic Service in Czech and Slovak 0900 GMT 15 Feb 86

[Excerpts] Regional and city party conferences marking the beginning of the closing stage of preparation for the 17th CPCZ Congress began today in 10 regions of the CSSR and in Prague and Bratislava. Stansilav Benda reports on the conferences:

Taking part in this important political event in the life of the party and the whole of society are delegations of the CPCZ Central Committee. The delegation to the city conference in Prague is headed by Gustav Husak, general secretary of the party's Central Committee. Other members of the CPCZ Central Committee Presidium head the following delegations: Lubomir Strougal in the North Moravian region, Vasil Bilak in the West Slovak region, Peter Colotka in the East Slovak region, Karel Hoffmann in the West Bohemian region, Alois Indra in the East Bohemian region, Milos Jakes in the Central Bohemian region, Josef Kempny in the South Bohemian region, Josef Korcak in the South Moravian region, and Jozef Lenart in the Central Slovak region. Candidate members of the party's Central Committee Presidium head delegations as follows: Jan Fojtik in the North Bohemian region and Miloslav Hruskovic in Bratislava.

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CSO: 2400/187

INDRA MEETS WITH BRAZILIAN CONGRESSIONAL DELEGATION

LD172108 Prague Domestic Service in Czech and Slovak 1300 GMT 17 Feb 86

[Text] Alois Indra, chairman of the Federal Assembly, today received the delegation from the Brazilian Congress headed by Jose Fragelli, its president, which is in the CSSR on an official visit. He briefed the guests on the results achieved in building socialism in the CSSR over the past 40 years and about the development of work initiative before the coming 17th CPCZ Congress and the elections to the representative bodies. Afterward he explained the principal stands the CSSR takes in regard to some international political problems and stressed that our country strives to strengthen peace and to resolve all contentious issues by negotiations. He singled out the principled USSR peace policy and the importance of the comprehensive proposals submitted by Mikhail Gorbachev. Alois Indra described CSSR-Brazilian relations as traditionally constructive and friendly in which economic cooperation has always been predominant and which can be developed intensively further. At the close Alois Indra voiced the conviction that the delegation's visit to our country will contribute to further strengthening contacts between Brazil and the CSSR in all areas.

Dalibor Hanes, chairman of the Chamber of Nations, then explained to the Brazilian parliamentarians the status of the Federal Assembly and the future tasks facing it.

Jose Fragelli, president of the Brazilian Congress, then spoke about the situation in his country where a civilian government has taken power after a long time and about the preparations for elections to a new parliament. He said that Brazil, which now stands on the threshold of profound sociopolitical changes, works actively to strengthen peace, supports the right of nations to self-determination, and the principle of resolving all conflicts by negotiations. He voiced the conviction that there exist good prerequisites for further intensifying mutually beneficial cooperation between both countries, especially in the economic area. Such cooperation contributes to mutual understanding and to reinforcing trust.

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CSO: 2400/187

CHARTER 77 CALLS FOR CSSR-WEST PRISONER EXCHANGE

AU172047 Paris AFP in English 2042 GMT 18 Feb 86

[Text] Prague, 17 February (AFP)--Charter 77, Czechoslovakia's main dissident movement, has called on six Western governments to hand over convicted East Bloc spies in exchange for six detainees in Czechoslovakia, a communique issued here today said.

The communique was distributed by the Committee for the Defense of Persons Unjustly Persecuted (VONS), and said the proposal had been submitted to the Czechoslovak Government and ambassadors from France, West Germany, the Netherlands, Austria, Britain and the United States.

It was signed by Charter 77 spokesmen Anna Sabatova, Martin Palus, Jan Stern and Ladislav Lis, vice-president of the Paris-based International Federation for the Rights of Man.

The appeal followed last week's spy exchange between East and West, in which Jewish Soviet dissident Anatoliy Shcharanskiy and several convicted spies from both sides, including Czechoslovak Jaroslav Javorskiy, were freed.

Charter 77, a human rights group formed in 1977, said the exchange had given hope that "other Czechoslovak citizens, sentenced to long years in prison, could be freed."

It added that "the idea of such an exchange is all the more urgent because these people resolutely deny their guilt and there is nothing to indicate that they committed espionage."

Four of the six detainees were convicted of spying. VONS named them as Jiri Gans, 57, sentenced in 1977 to 15 years and said to be in a "very critical" state of health, Petr Hauptman, 40, sentenced to 10 years in 1984, Josef RoMer, 31, serving an 11 year term imposed in 1978, and Fratisek Veis, 54, a signatory of the Charter 77 manifesto, given 12 years in 1979.

Two dissidents named were Jiri Wold, 33, and Walter Kania, 46, both Charter 77 signatories, who still have 4 and 2 1/2 years of their sentence to serve respectively.

All six had asked to emigrate, VONS added.

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CSO: 2020/89

EUROPEAN CULTURAL FORUM SUMMED UP

Prague RUDE PRAVO in Czech 4 Dec 85 p 5

[Article by Ilja Hulinsky, Ambassador and Permanent Deputy Representative of the Czechoslovak delegation to the Cultural Forum of the Helsinki Final Act's signatory countries in Budapest]

[Text] Following a decision by the Madrid Review Conference on European Security and Cooperation, a cultural forum of the Helsinki Final Act's signatory countries was held in Budapest between 15 October and 25 November 1985. The forum began its deliberations at a time of complicated international situation and of the final preparations for the summit meeting between the Soviet and American leaders. The West and especially the United States had tried very hard to inject East-West ideological problems into interstate relations. This was also reflected in the deliberations of the Cultural Forum whose mandate--namely, the discussion of the interrelated problems of creative work, dissemination and cooperation in various cultural fields--was closely linked to issues on which the member-countries of the Commission on European Security and Cooperation, belonging to different social systems, have different opinions of a basic ideological nature.

The final stage of the cultural forum was significantly influenced by the results of the Geneva meeting between Mikhail Gorbachev and Ronald Reagan strengthening the realism of most delegations participating in the forum and their efforts at having good will reflected there, too, paralleling the direction agreed upon in Geneva.

Most of the participating countries dispatched to Budapest large delegations made up of prominent personalities representing all cultural areas and whose problems were on the forum's agenda. But it was primarily the delegations of the socialist countries made up of the leading representatives of the artistic and cultural world who were known universally through their work. As a result of the high intellectual level of their speeches and their pragmatic and constructive approach, they achieved approval and recognition among their counterparts in all four working organs of the forum on issues of creative art, dramatic art, literature, and mutual cultural relations.

During the 6-week deliberations of the cultural forum, its participants could analyze the profile of European culture which reflects in its broad variety

the life and fate of the contemporary world. The profile is not always upbeat or care-free but offers hope.

It was a lucky coincidence that the cultural forum concluded its deliberations immediately after the revival of the Soviet-American dialogue at the summit concerning the survival or annihilation of human civilization. Following the Geneva summit, the world has become a safer place. Mikhail Gorbachev's words at his press conference of 21 November 1985 were also addressed to the participants of the Cultural Forum. To a question of whether this is also the time to re-examine prejudices in mutual relations between countries with different social systems, Mr Gorbachev answered: "Don't blame political leaders for everything. We have agreed to expand cultural contacts. Thus, you should meet and negotiate among yourselves." It is necessary to follow up this advice in the spirit of Geneva, and the spirit of Geneva means learning to live together.

In the last few weeks, the participants in the cultural forum also witnessed periods which demonstrated how difficult is the road to understanding. The variety of views evidenced the differing socialist realities of the participating countries, their different ideological approaches being also evidenced in their cultural policies. The Czechoslovak delegation went to the deliberations at the cultural forum in full awareness of its responsibility regarding Czechoslovakia's pledges made in the Helsinki Final Act whereby its signatories expressed their readiness to convert detente into a continuous, vital, multifaceted, and as far as its scope is concerned, universal process. This also corresponds to the historical traditions and the humanistic, peaceful, and progressive cultural role of contemporary Czechoslovakia. Such sense of responsibility obliged the Czechoslovak delegation, made up of the most prominent personalities in our cultural life, to consider constructively the mutually interlinked questions of creative work and the dissemination and exchange of cultural resources. As stated at the concluding meeting on the cultural forum, the Czechoslovak Socialist Republic, too, will continue to do everything to help the development of a peaceful European community of national cultures. This will be our contribution to a joint effort by the forces of realism to create on our continent a sophisticated and effective system of collective security and cooperation.

Collective security in Europe can be created by a system of agreements on interstate relations while observing all the principles of peaceful coexistence listed in the Helsinki Final Act. It covers cooperation in every sector of the Helsinki process but rejects mutual interference in domestic affairs.

The uniqueness of the Budapest Cultural Forum, often referred to in the speeches made there, does not lie in the fact, or only in the fact, that the forum was attended by prominent cultural personalities. International meetings have a great impact on world public opinion. Rather, the uniqueness of the Budapest Cultural Forum resided primarily in the fact that this meeting was to help revitalize efforts for the relaxation of tensions as a preliminary step away from a world saturated with weapons in the direction of a reliable system of agreements on international security. This was the first meeting of its kind in the history of Europe as far as the Forum's scope and content are

concerned. One must recall that the governments of all the 35 signatory states of the Helsinki Final Act were represented by delegations consisting of people prominent in the cultural world.

Apart from the fact that because of the fault of several Western delegations no final document was approved, one can consider as a great achievement of the cultural forum that its participants, functioning in an atmosphere of intensive dialogue, were able to seek and identify issues of common interest which are important for the development of European culture and to propose, too, a series of very concrete and often new forms of improved cooperation in the cultural field among the countries involved in the Helsinki process.

The outcome of the cultural forum is therefore a plea addressed to the governments of the signatory countries of the Helsinki Final Act not to allow the dynamic goal to turn into a dead letter but contrariwise to revive the jointly discovered rhetoric through concrete deeds. The significance of the cultural forum has, however, one additional dimension which was obvious during all its deliberations: The awareness that the artists and cultural workers are also the bearers of historic responsibility for the fate of peace and progress, for preserving the cultural heritage of mankind. The real outcome of the cultural forum thus moves in the direction of a brighter future opened by the historic summit in Geneva.

In this sense the Budapest Forum will, in the last analysis, become one in a series of steps contributing to the fact that culture can enrich the life of each and every individual. Culture can, in its national diversity and despite ideological differences, become a force igniting the flame of understanding which will protect peace, progress, and improve mutual respect among nations.

Knowing that it was striving for a worthy cause, the Czechoslovak delegation as a group and each and every one of its members fulfilled with flying colors the tasks assigned to them when they arrived in Budapest and were among the most active and innovative participants.

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CSO: 2400/97

BRIEFS

CSSR-ALGERIAN COOPERATION TALKS--Prague, 14 February (CTK)--New forms of cooperation, especially in industry, will develop between Czechoslovakia and Algeria, the Czechoslovak-Algerian Committee for Economic and Scientific-Technological Cooperation agreed at its eighth session which ended here today. A protocol was signed by Czechoslovak Foreign Trade Minister Bohumil Urban and Algerian Minister of Heavy Industry Salim Saadi at the close of the session. The committee discussed extension of goods exchange. An emphasis was put on an increase in Czechoslovak exports, mainly in engineering, and commodities which can be imported for the Czechoslovak national economy were selected. The talks confirmed the possibilities of Czechoslovakia's participation in the construction of complete plants in Algeria, such as mills, a ceramic works, foundries and forges. Talks will also continue on other forms of Czechoslovakia's share in the process of industrialization in Algeria. The sphere of scientific-technological cooperation was highly praised. The present number of 380 Czechoslovak experts working in Algeria should further increase in the coming period. [Text] [Prague CTK in English 1641 GMT 14 Feb 86 LD] /12232

REGIONAL LEADERS RETAIN POSITIONS--Prague, 18 February (AFP)--The Czechoslovak Communist Party's regional conferences have ended with all top officials, most of them appointed after the "Prague spring" of 1968, still in place. The conferences were held as curtain raisers to the 17th Party Congress, due to open here 24 March, and indicated that the existing party leaders would remain firmly in command. However, there could be changes among lower level officials, who have been the object of an intense campaign calling for the "normalization" of communists. Several have been expelled from the party for fraud in recent months, the most prominent being Frantisek Neuhauser, director of the uranium mines in central Bohemia, and his assistant Frantisek Riger, who built second homes at the mine's expense. [Text] [Paris AFP in English 1009 GMT 18 Feb 86 AU] /12232

PERFECKY'S FUNERAL--The funeral took place today in the great hall of the Strasnice Crematorium in Prague of Hero of Socialist Labor Otakar Ferfecky, the federal government's commissioner for the construction of the Prague Metro, bearer of the Order of Victorious February, and the Order of Labor. Present at the funeral ceremony, together with the deceased's family, were Ludomir Strougal, the federal premier, and Josef Korcak, Czech prime minister, members of the Presidium of the CPCZ Central Committee; and other representatives of our political, economic and public life. Zdenek Smely, first deputy chairman of the Czech Research and Development and Investment Planning Commission, in a speech, paid tribute to the lifelong work of Otakar Ferfecky, who devoted all his work and organizational talents to our people and our socialist society. He stressed that his name will forever remain linked with important socialist construction projects as the Prague Metro, the renovation of the National Theater, and important industrial enterprises, hospitals, and many other others. [Text] [Prague Domestic Service in Czech and Slovak 1400 GMT 7 Feb 86 LD] /12232

CC INTERVENES IN IDEOLOGICAL CONTROVERSY OVER SCHOOL TEXT

Background of Controversy

Budapest UJ TUKOR in Hungarian 17 Nov 85 pp 18-19

[Article by Erno Balogh: "The Lessons of a Debate"; last paragraph is UJ TUKOR comment]

[Text] In recent months there has been a very lively debate, occasionally even heated and acrimonious, over the publication this year of the second volume of the history of literature textbook for fourth-year gimnazium students. The volume is intended as an introduction to the more important trends in the post-1945 Hungarian and foreign literature, to the biographies of the poets and writers, and to the outstanding works that have been written in recent decades and hold promise of lasting value. To indicate that some types of problems which have flared up now are not of recent origin, the widening controversy touched also on the earlier volumes in the new series of textbooks which, according to the critical comments, likewise require revision. The debate was conducted mostly in the columns of UJ TUKOR. A comprehensive critical review of the debate appeared in the June issue of KRITIKA. And some of the contributors to the nearly six-month-long exchange of views (beginning with Istvan Kiraly) in MAGYAR IFJUSAG, on the present contradictions and problems of teaching literature, also joined in the debate, although only indirectly. A round-table that appeared in the No 7, 1985 issue of PARTELET ("What Does Art Policy Support?") referred emphatically to the textbook's shortcomings.

It should be noted, and not merely as a matter of curiosity, that LUDAS MATYI also responded to the debate in its own way: its humorous cartoon "commentary" attests to the fact that the topic soon outgrew the confines of cultural life --and within it, of education as the profession most directly involved--and attracted wide general attention. And justifiably so, because no responsible thinking person can remain indifferent to what perspective an official textbook reflects, to what scale of values it sets, and to what influence--by no means negligible--it exerts on the students' behavior, world outlook and tastes.

The critiques appearing in the press have raised professional questions in a narrower sense, and questions of ideology and educational policy as well. The nature of these problems, and the self-understood public interest in this sphere of education and training, necessitated the earliest possible clarification of the problems, and the formulation of the tasks stemming from them.

Therefore the Educational Policy Working Group attached to the MSZMP Central Committee sponsored a conference to which it invited--in addition to those of its members who are interested in the topic, or are most likely to encounter it in their own professions--the following: the textbook's author, several of the publisher's readers, the contributors to the debate in the press, and the head of every state institution concerned. Because the debate had extended in part also to some of the earlier volumes, several of their authors were present as well. The conference's primary objective was to provide assistance for the textbooks' suitable, professionally and ideologically authoritative, revision, and thereby to contribute toward the solution of the present problems in conjunction with literature instruction in secondary schools. As one of the essential conditions for the elimination of the substantive problems that have arisen, another objective of the conference--specifically in the interest of the mentioned primary objective's more effective realization--was to reach a possible and necessary consensus on the principles of educational policy regarding several of the more significant questions.

In the following I will attempt to briefly highlight some of the debate's more general lessons, which will not be without interest even to the wider party membership. To avoid any misunderstandings, I wish to point out in advance that what follows is neither an abstract of the minutes of the meeting that recorded the lengthy exchange of views at the all-day conference, nor some "official" party standpoint. And under no circumstances does it claim for itself the right to have the last say. This writing cannot undertake at all to present the entire range of arguments and ideas that were advanced, and of the questions decided or left open in the debate. Within the contributions to the debate, it wishes to call attention primarily to those elements which--in my opinion--could serve as the basis for realistic further progress and are most likely to contribute toward formulating a policy platform that is indispensable to joint action. In addition to providing information and presenting the points of view that are more general (and in part may therefore offer lessons for other areas as well), then, this endeavor is the other, more specific, objective of this writing.

It was strongly emphasized in the debate that literature textbooks must perform several functions. They must contain, for example, the theoretical knowledge essential to an understanding of literature; present the biographies of significant authors; introduce the literary works of lasting value; help to develop the habit of reading and love for the arts in general; participate in moral and aesthetic training, in improving the perception of reality and self-comprehension, etc. In addition, literature textbooks must be in harmony with the principles of our social system, its scale of values, and its comprehensive public objectives. Moreover, they must present our ideals convincingly, with effective arguments. The characterization of literary works and trends must be based on the Marxist world outlook, and on the set of aesthetic values derived from it. This criterion--in the case of textbooks written for use in public education, and prepared, approved and published by state institutions--is hardly debatable. Of course, Marxist scientists and experts also differ in their views on a good many questions, and therefore it is not always easy to determine which of the views is the authentic one. But if we look at the fate of these textbooks, this much is certain: When the differences of opinion are as wide as they sometimes have been in the course of this debate, the exchanges

of views that clarify the differences (and involve hard work, of course) should not have been spared. If we consider the consequences, a shortage of time is not an acceptable excuse worthy of consideration.

A further basic requirement is that the various areas of educational policy unconditionally be synchronized on essential issues, if the Ministry of Culture and Education wants to be consistent and retain its credibility. Specifically, a textbook's views regarding aesthetic value on the one hand, and art policy's subsidization strategy, which is implemented in different ways through a variety of means, and its set of principles on the other hand, must not differ from each other, and especially must not be in conflict. If the difference between them becomes significant, sooner or later it will be the source of serious disturbances. Or to be even more specific: if realism as a modern and comprehensively defined scientific category of aesthetics and philosophy unalterably retains its eminent and authoritative position in art policy's evaluation mechanism and theoretical underpinnings, then we can hardly regard as acceptable a textbook which for the most part recognizes this concept's meaning only in the sense in which it is used in the history of style (and is applicable therefore mainly to 19th century literature), or which conveys--through its negative declarations--only the one-time, conservative, meaning of realism. If educational policy is urging the liveliest possible integration and ever-wider dissemination of Gyorgy Lukacs's monumental lifework and outstanding intellectual legacy (as this is evident, among other things, also from the Educational Policy Working Group's document entitled "Guidelines for the Centennial of Gyorgy Lukacs's Birth"), then we can hardly regard as acceptable that part of the literature textbook which feels compelled to single out from the wide-ranging writings of one of the greatest philosophers of the 20th century primarily the theory of realism which he developed in the 1930's, and which was subsequently modified to a significant extent. As the standpoint of the aforementioned working group points out with due emphasis, Gyorgy Lukacs "has described and explored, with lasting and now once again timely validity, many of the essential features of the philosophical trends of the 19th and 20th centuries, of modern irrationalism: the obscurantism, the unhistorical creation of myths, the religious atheism, the indirect apologetics, the willy-nilly confirmation of despondency and hopelessness, the life philosophy of despair." The bias of the fourth-year gimnazium students' literature textbook--evident in that it ignores the importance of Lukacs's lifework in philosophy and aesthetics, but simultaneously revalues upward and accepts for the most part without criticism the existentialist philosophies of the 20th century, and Heidegger's work in particular--can be reconciled neither with the spirit of the aforementioned standpoint, nor with the principles and aspirations of educational policy. Of course, the statements contained in any party document must not be regarded rigidly as dogma, and one may also challenge them. However, textbooks are not the proper forum for a possible retrial. But let us take the question of bias one step further: It has been for some time the established policy of the Ministry of Culture and Education to support the assertion of a variety of values. As evident from the proportions of allotted space and content, however, the second volume of the literature textbook for fourth-year gimnazium students partially circumvents this practice, by giving preference mostly to a single (the bourgeois humanistic) trend in the Hungarian and foreign literature.

There is considerable emphasis in the textbook on the various crisis phenomena in today's world, on the examples of the threats to human existence, of the defenselessness of nature and society, and the possible scenarios of tragedy. Obviously, the dominance of a perspective attempting to interpret literature's processes in the spirit of an absence of conflicts, of one-sided and naive optimism, could also cause serious harm and produce an effect contrary to our objectives. Therefore the fact in itself is not objectionable, but indeed natural, that the truly serious problems of today, the disturbing alternatives, and the inevitable tragic turns in man's life are reflected also in the textbook, and thus it does not create illusions and foster unrealizable hopes. The communist movement, too, knows from bitter experience that attempts to conceal or ideologically embellish the truth, to present aspirations as actual facts, will always rebound many times over: they lead to discord, produce disenchantment, and might spread nihilism. But the presentation of the forces countering the threat to mankind, the worthy analysis of their representatives in the leftist, socialist literature, and the drawing of outlook-shaping and behavior-forming consequences from them are conspicuously absent from the textbook. In its overall impact, therefore, the volume might produce a disarming and paralyzing sense of hopelessness and inevitability, as a miscalculation of a conceptual nature. Whereas a literature textbook--remaining completely in harmony with the peculiarities and internal laws of its subject--ought to be both morally and emotionally able to present the existing humane prospects, respectively to argue in favor of their active acceptance. This appealing and meaningful opportunity must not be lost; without its realization, the textbook could not possibly fulfill its intended purpose.

Several contributors to the debate have raised the question as to whether it is possible, or at all expedient, to present in traditional textbook form--with its typical organization, selection of material, stricter evaluation obligations, etc.--the literature of today in its constantly changing trends, and the creative careers not yet over and therefore necessarily liable to change. For here the danger of haphazardness, disproportions, and subjective preferences is objectively much greater; because the historical perspective is lacking that excludes practically from the outset the possibility of grave errors in the case of earlier periods. Today nobody would seriously question that Shakespeare, for example, is a figure of decisive importance in the literature of his period and in the entire world literature since then. But assessment of some of the authors of our time is necessarily fraught with uncertainty; the critics are more divided in their views; and also the risk of yielding to the temptations of fashionable trends is greater. Therefore some of the contributors to the debate supported the standpoint, and not unfoundedly also in my opinion, that a textbook in the conventional sense is unnecessary to teach contemporary literature. Instead, a volume of selections ought to be compiled that contains the texts of (or excerpts from) works which professional public opinion, Marxist literary criticism, has judged as significant; together with the authors' more important biographic data and the most essential factual information.

The important topics on which views were exchanged included the range of questions concerning the relationship today between traditions and modernness, and the substantive determinacy of this relationship. The view was expressed that Hungarian literature has undergone radical changes in recent years, and that

--due to the transformation of the scale of values--the artistic endeavors which are more receptive to social problems, and which regard creative work as service to the people and the nation, a commitment to public affairs, have actually become outdated. I personally support the opposite view, the one which holds that, in spite of the undeniable changes, this trend of our literature with its outstanding traditions is not anachronistic even today; that it is still producing works of significant value which are best-sellers or box-office successes; and that its continuity will not cease even in the future, because several gifted representatives of the younger generation are joining this trend. Consequently, I too believe that the role the textbook assigns to this extremely typical branch of our literature is smaller than what it merits. Because, in comparison with the literatures of other nations, this branch of our literature provides its phylogenetic specialty, its characteristic plus and special appeal.

When listing the functions that a textbook must perform, I have already referred to the requirement of helping to develop the love of books and the habit of reading, and of contributing thereby to the all-round development of the individual. But this function ought to be stressed also separately. Because I am convinced that this educational role and vocation should have received greater emphasis in the volumes in question. As emphatically expressed in the debate, this educational role assumes special significance today when the social prestige of literature, of the arts and of the humanities in general, is declining, contrary to our intentions and in spite of our efforts; when there are so few truly regular readers; and when there is growing interest in light reading, including pulp of low quality. Textbooks must help to effectively assert this educational role by every means: through their tone, selection criteria, analyses, and thesaurus of concepts. This is our most fundamental common interest and the responsibility of every one of us, independently of the debate. For it is indisputable that the arts, including literature with its greatest traditions in our country, play a unique role in the realization of our social objectives, and in making our lives more humane and meaningful, as this has been pointed out in an entire series of documents on educational policy.

In the final outcome, every participant in the debate covering numerous fundamental questions of our educational policy agreed that the textbooks for fourth-year gymnasium students require substantive revisions, and there were actual differences of opinion among them primarily on the extent of the necessary revisions and the proportions of the shortcomings. None of the conferees questioned the fact that the volumes, in comparison with the previous textbooks, have indisputable merits and are serious intellectual efforts of high quality within their own field. Several speakers pointed out that the textbooks are attempting to cling to aesthetical values more consistently than the previous textbooks did. And the disproportions, the problems of approach, the one-sided applications of the principle of quality are by no means shortcomings for which solely the author can and should be blamed.

However, there can likewise be no doubt that an entire chain of mistakes, omissions and superficialities led to where the teaching of literature found itself in a difficult situation, and it finally became necessary to hold such a debate about a published textbook in actual use, which unavoidably offended also

various personal sensibilities. Had every one of the institutions concerned exercised the degree of circumspection required--and on the basis of the early indications, their circumspection should have been commensurately greater--we could have avoided much inconvenience and many conflicts.

This is one of the most important lessons to be drawn from the debate. Yet another lesson is that the debate has demonstrated that we do have the intellectual potential with whose help we are able to present our reality, our contemporary literature, accurately and in the Marxist manner. In future we must rely on these forces more effectively and in a better coordinated manner. Because that way we will be able uphold our ideals more convincingly, in a better substantiated and more nuanced manner, also in the exceptionally important area of educating our youth.

We have reprinted the above article from the November issue of PARTELET. Not to rekindle the debate, of course. To the contrary. Our purpose is to inform our readers, who have been able to follow--over a period of more than 2.5 months this summer--our articles on literature textbooks for gimnazium students, that the meaningful revision of the textbooks has begun. Editors.

Abstract of Balogh Article

Budapest NEPSZABADSAG in Hungarian 25 Nov 85 p 7

[Abstract, in the "Perusal" rubric, of article by Erno Balogh: "The Lessons of a Debate"]

[Text] Published this year, the second volume of the literature textbook for fourth-year gimnazium students--it covers the post-1945 Hungarian and foreign literature--rekindled the debate on literature textbooks that has been going on for several years. The articles contributing to the debate, published in various newspapers and journals, have raised a series of professional and ideological questions. To help clarify the problems and outline the tasks, the Educational Policy Working Group attached to the MSZMP Central Committee held a conference to which every person and institution concerned had been invited, in addition to the working group's members. The objective of the conference was to provide assistance for the suitable, professional and ideological revision of textbooks.

The author of the article reporting on this conference points out that the many diverse functions of literature textbooks must be in harmony with the ideals of our social system. The assessment of authors, their works and literary trends must be based on the Marxist world outlook and performed with the help of Marxist aesthetics. "This criterion--in the case of textbooks written for use in public education, and prepared, approved and published by state institutions--is hardly debatable." Naturally, the standpoints of Marxist experts are not unanimous on every question. But when the differences of opinion are as wide as in this case, it would have been not only more fortunate but also more responsible to clarify the problems before the textbook's publication. Only in this way could we have avoided a conflict between the textbook's views regarding aesthetic values on the one hand, and education policy's set of principles

on the other. A cultural policy which assigns an eminent role to realism as a modern and comprehensively defined scientific category of aesthetics and philosophy is hardly able to accept a textbook that recognizes, almost ostentatiously, only the 19th-century, conservative, history-of-style meaning of realism. And it is likewise not entirely compatible with the principles of our cultural policy that the textbook ignores, among others, Gyorgy Lukacs's very important and influential writings concentrating on developing the theory of realism and on opposing irrationalism, but revalues upward the bourgeois philosophies of the 20th century, and Heidegger's work in particular. The textbook's anti-dogmatism, instead of its attempt to present the diversity of aesthetic values, does not particularly help the realization of our cultural policy objectives, either.

In itself the fact that the textbook places great emphasis on today's crisis phenomena, worries, problems, and possible scenarios of tragedy is not objectionable. What the textbook's critics are demanding of it is not naive optimism, but the proportional presentation of the forces countering the threat to mankind. Actually it is also a literature textbook's pedagogical duty to present the existing humane prospects, in contrast with the hopelessness. But the question arises as to whether it is at all expedient to present contemporary literature in traditional textbook form, because the possibility of subjective bias and the danger of disproportions in the assessment of contemporary literature are much greater to begin with. In the opinion of some of the contributors to the debate, ". . . a textbook in the conventional sense is unnecessary to teach contemporary literature. Instead, a volume of selections ought to be compiled that contains the texts of (or excerpts from) works professional public opinion, Marxist literary criticism, has judged to be significant; together with the authors' more important biographic data and the most essential factual information."

The author of the article establishes that the debate covered many fundamental questions of our educational policy. The conferees agreed that the literature textbooks require revisions. There were actual differences of opinion among them only on the extent of the necessary revisions and the proportions of the shortcomings. Nobody at the conference doubted that these textbooks are better than the ones they have replaced. And it is likewise certain that the mentioned disproportions and problems of approach are not solely the author's fault. ". . . an entire chain of mistakes, omissions and superficialities led to where the teaching of literature found itself in a difficult situation, and it finally became necessary to hold such a debate about a published textbook in actual use, which unavoidably offended also various personal sensibilities. Had every one of the institutions concerned exercised the degree of circumspection required--and on the basis of the early indications, their circumspection should have been commensurately greater--we could have avoided much inconvenience and many conflicts." (From PARTELET, November 1985)

1014

CSO: 2500/151

POLISH OFFICIAL ON COMBATING ALCOHOLISM

PM121131 Gdansk DZIENNIK BALTYCKI in Polish 7 Jan 86 p 3

/Interview with Jozef Bury, vice minister of labor, wages, and social affairs, presidium member in the Commission for Countering Alcoholism, by KAR correspondent Irena Scholl; date and place not given; passages in slantlines published in boldface/

/Text/ Scholl: An investigation conducted by the Supreme Chamber of Control, the Ministry of Labor, Wages, and Social Affairs, as well as employment departments of voivodship offices and Citizen's Militia shows that the act on temperance education and prevention of alcoholism is not being observed. The most alarming thing is that, instead of dying out, the custom of drinking in the workplace is becoming entrenched.

Bury: True. The number of employees who attempt to enter their workplaces while under the influence of alcohol is by no means declining. Attempts to bring alcohol to work are made with increasing regularity and, unfortunately, they are often successful. People drink in changing rooms and in storerooms. Whereas during the first half of 1983 more than 9,000 people were caught at those practices, in the first quarter of 1985 there were already 14,000 known cases. The number of persons guilty of disturbing the peace in workplaces has more than doubled....

Scholl: What causes this?

Bury: Experts point to six main causes here. /Tradition/--No occasion of any consequence, no social or family gathering, no reunion or other celebration among colleagues can take place without drinking alcohol. /Frustration/--caused by chronically poor living conditions, lack of prospects for quick stabilization, such as being able to get a home of one's own, buy a car, take an attractive vacation abroad, and so on. /Stress/--brought about by disturbances affecting regular pace of production, work stoppages, shortage of materials, lack of tools in good working order, and insufficient motivation for improving productivity. /Family problems/ caused by a variety of reasons, feelings of loneliness and social alienation. /Disintegration of social life/, because there is no time for it, because housing conditions and market supply are inadequate, and because going out is very expensive. What we have left is a poor substitute: secret drinking with colleagues in some hidden corner of

the workplace, "chasing" the alcohol with a coffee, gherkin, or a mouthful of black pudding. Finally, there is the /availability/ of alcohol in contrast to the shortage of other goods that might otherwise effectively compete with it.

Scholl: What is the greatest obstacle to removing alcohol from the life of the workplace?

Bury: Poor sense of work discipline. Other symptoms of this are high absenteeism, poor work organization, little appreciation of the value of work, and, consequently, low output quality. Obviously, these ills do not affect all our enterprises and all our workforce, but they still leave a deep imprint on our life.

Scholl: Who has enough decisive influence to change this state of affairs?

Bury: Everybody. Enterprise managers, sociopolitical organizations, and the trade unions--which have not, as yet, declared any resolute struggle against alcoholism in the workplace. And we cannot eliminate this phenomenon without first increasing people's awareness, without raising our workforce's standards regarding each individual's attitude toward the work ethic and discipline.

Scholl: How can we fight it more effectively? Let us begin with the practice of bringing vodka to the workplace. Are the existing methods of stopping this really effective?

Bury: We could apply other, more effective methods, such as those used at football grounds. Each bottle seized by security men at the workplace should be immediately poured down the drain, not kept in safe custody to be returned to the owner as he leaves the premises after work. Each employee caught attempting to smuggle a number of bottles of alcohol onto the premises should be handed over to the Citizens Militia, because experience has shown that such offenders usually have...dozens more bottles stashed away at home. They are simply speculators.

Scholl: And what should enterprise managers do?

Bury: First of all they should introduce a rigorous system of monitoring the observance of the sobriety-in-the-workplace rule. They should set up procedures for recording all instances which this rule is violated. They should also set up an extensive program of information and education, for the present practice is usually limited to the mere formality of instructing new employees that they are under an obligation to remain sober on workplace premises. The guidelines issued by our ministry also mention the legal measures, penalties, and other sanctions that should be applied against all those who break the stay-sober rule.

Scholl: You spoke of a system of monitoring the observance of this rule. Would it be an exclusively administrative system?

Bury: Thirty-seven percent of enterprises included in our survey have public monitoring cells working side by side with administrative controlling bodies,

and made up of representatives of the trade unions, party and youth organizations, the Polish Red Cross, the Volunteer Reserve of Citizens Militia, and other bodies. The involvement of the "public element" ought to be much greater, since any pressure or sign of condemnation from one's colleagues is far more effective than administrative measures.

Scholl: What about the influence of the industrial health service?

Bury: According to our information, only 78 percent of industrial health service centers cooperate with enterprise managers in promoting health education among employees and include instruction about the awesome consequences of alcohol abuse in their educational programs. The rest of them do not tackle this issue at all, nor do they declare any intention of doing so. In any case, even the so-called "active" industrial health centers do not go beyond...displaying antialcohol posters. Talks, lectures, and programs broadcast on enterprise inhouse radio systems are very rare, as are individual face-to-face talks.

Scholl: Which professional groups and milieus are particularly vulnerable to "drunken mores"?

Bury: All those which suffer from the manpower shortage. They often recruit people who have been dismissed from other places on disciplinary grounds, chronically work-shy individuals, or persons discharged from penal institutions. Many of these continue to drink and are soon dismissed again on disciplinary grounds, whereupon the enterprise--which is often a municipal works or a construction firm--will shortly seek to replace them by others, who frequently have the same sort of background. Other enterprises likely to be affected are as a rule those where people sit about with arms folded waiting for something to do and "whiling the time away," that is, drinking.

Alcoholism is boosted by doing "field work" away from one's workplace, where constant supervision is not feasible, and control difficult.

Scholl: And, of course, by undue leniency on the part of management.

Bury: Quite. Materials collected by the Supreme Chamber of Control indicate, for example, that the management of the Stilon Manmade Fiber Plant in Gorzow failed to apply administrative sanctions against 16 employees who had violated the sobriety-in-the-workplace rule. There was a similar case at the Mostostal Steel Structures Manufacturing Plant in Radomsko. Also in Radomsko, at the Komuna Paryska Industrial Plant 20 employees, including 4 on the enterprise security staff, were not disciplined for breaking that rule. Moreover, two of the offenders were not only not penalized for being drunk, but were subsequently twice promoted from their previous grades. Investigation carried out at the Hutman Nonferrous Metals Foundry and Manufacturing Plant in Wroclaw and the Sacz Ore Processing Plant revealed that employees who had been disciplined for drinking alcohol at work were nevertheless given monetary awards and increased pay bonuses.

Scholl: Are parent agencies not too lenient themselves toward those lenient managers? Have you ever heard of a manager who was publicly fired because he was excessively lenient?

Bury: I must admit I have not. But the premier in the past has recalled voivodas from their posts. I believe that the amended labor code should include a provision that would require managers to summarily dismiss employees for drunkenness at work. And every parent agency should have the following condition added to the principles of its bonus-awarding policy: A manager will be entitled to a bonus only if he has been successful in discouraging the practice of drinking at work in his enterprise. Let us not add a fourth "S"--that of self-will--to the three "S" principle of the reform /self-reliance, self-management, self-financing/. Especially when it might lead to an aggravation of our social ills--ills that are becoming a plague.

Scholl: Thank you for the interview.

/12228

CSO: 2600/269

GOVERNMENT PRESIDIUM ON YOUTH, LAND, GOODS

AU262026 Warsaw TRYBUNA LUDU in Polish 21 Jan 86 p 2

/Excerpts/ PAP--At its 20 January session the Government Presidium studied a report for on the implementation to date of the 1982 government program for improving the conditions for young people's lives and careers. Chairmen of the socialist youth unions such as the SZMP, the ZMW, the ZHP /The Polish Scout Union/, and the SZP /the Polish Student Union/ were present.

The government youth program contains almost 200 tasks for various government offices, state institutions, and organizations. During the first stage of this program's implementation many ad hoc tasks were accomplished in order to counter negative phenomena as they were produced by the socioeconomic crisis. The youth program also contains long-term tasks up to 1990. These programmatic and institutional tasks will create legal and organizational mechanisms to promote the development of young people and to ensure their participation in solving our country's important problems.

The session agreed that the main lines of the youth program are still valid, but that sociopolitical and economic conditions have greatly changed since 1982. That is why the presidium recommended that the program be modified and that the socioeconomic development in 1986-90 should be taken into consideration. The minister for youth affairs was instructed to draw up a report on the conditions for young people's lives and careers.

The Government Presidium studied the implementation of the land reclamation program and the tasks for 1986-90.

Despite considerable progress in organizational, legal, and economic undertakings, the land reclamation operations planned for 400,000 hectares of farmlands in 1983-85 have not been fully accomplished. The regulation of rivers and the construction of antiflood embankments are some of the urgent tasks. The reclamation of 700,000 hectares of farmlands in 1986-90 will require guaranteed investment funds and better equipment for land reclamation enterprises.

The Government Presidium evaluated the flow of goods to the markets in December 1985 and this month. In line with the plan, the per capita flow of foodstuffs last December was higher than in December 1984. The flow of foodstuffs and industrial goods in the last quarter of 1985 markedly increased.

This month the flow of foodstuffs will have increased in comparison with January 1985. There will be more meat, butter, margarine, and pork fats. The flow of dairy and cereal products continues to meet needs.

The flow of industrial goods was not flawless and showed greater ups and downs, despite the correct implementation of the market supplies stipulated by the 1985 annual plan. There were shortages of building materials and difficulties were encountered in supplying coal users, especially rural users, although decisions were made to increase the supply of coal, particularly coal in large lumps.

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CS0: 2600/269

AIR FORCE CAMPAIGN FOR 10TH PARTY CONGRESS

AU241424 Warsaw ZOLNIERZ WOLNOSCI in Polish 21 Jan 86 pp 1, 6

/Report signed "(WIER.)": "Before the 10th PZPR Congress--Initiatives For Progress"/

/Excerpts/ Preparations for the campaign preceding the 10th Party Congress are taking place in the air force as well as in other armed services and military districts.

The attention of all party cells and organizations in the air force continues to be focused on training the activists who will accomplish the main tasks in the first and second stages of the campaign.

The Poznan plenary session of the PZPR Committee in the air force was a new important phase in pregress preparations. The session, which was attended by members of the air force party control commission, discussed the ideopolitical and organizational aspects of the pregress campaign and the tasks for party cells and organizations on the basis of the 23d Central Committee plenum.

The participants in the discussion stressed that winning an increasingly more universal and more specific public support for the PZPR is a general party task and aspiration and that one welcome result of this should be the development of party ranks.

Discussing other questions stemming from the pregress campaign, the participants in the discussion stressed the great importance of individual talk in all primary party organizations to help to crucially enrich the all-party and nationwide discussions, which constitute a great ideological training that adds to the knowledge of the goals and principles of our system and the 10th congress theses. These meetings will choose delegates to higher party conferences through the air force pregress conference.

/12228

CSO: 2600/269

MESSNER AT ACADEMY PARTY MEETING

AU271331 Warsaw ZOLNIERZ WOLNOSCI in Polish 23 Jan 86 pp 1, 2

/Text/ PAP--The PZPR Committee of the Katowice Economic Academy inaugurated the 10th Party Congress campaign at its 22 January open meeting devoted to the determining factors of the country's socioeconomic development. The committee numbers 189 party members and candidates.

The academy's scientific workers who are party members are active in the advisory bodies of the voivodship party and administrative organizations. The meeting was attended by about 400 scientific workers, academic instructors, and students as well as by Premier Zbigniew Messner, who is a member of the academy's party organization.

Discussing the main determining factors of the country's socioeconomic development in 1986-90, Z. Messner stressed that the government's plan for these years will be discussed during the pregress campaign.

The 10th Party Congress, which is the supreme forum of the party, will adopt the draft plan and will submit it to the Sejm. Z. Messner discussed the state of our economy and said that, compared with its condition in January 1982, it is good.

For the past 40 years, he continued, Poland has always been open to other countries and our people have been able to compare the living standards in them.

People always find it easier to note the positive aspects of other countries' conditions, ignoring their negative aspects, and that is why people generally think that others have it better and that is why their aspirations outstrip the potential to fulfill them under conditions of crisis and restrictions.

Z. Messner included our debts and the psychology and awareness of our people among the basic determining factors in our development. The authorities must fully realize these and other barriers before they can launch the activities aimed at overcoming and reducing the results of these barriers and before they can optimally devise tasks for the coming 5-year period.

Z. Messner also answered questions from the floor and explained various issues such as wage policy, systems of incentives, and efforts to reduce the material intensiveness of our economy. The meeting stressed the need for efforts to more accurately accumulate and use the people's energy and creative talents with a view to implementing the main economic goals.

VOIVODSHIP LAW AND ORDER PLENUM; BARYLA SPEAKS

AU311512 Warsaw TRYBUNA LUDU in Polish 29 Jan 86 p 2

/Text/ PAP--Key questions connected with strengthening observance of the law and socialist ethics were the subject of a voivodship PZPR committee plenum held in Chelm on 28 January. The meeting was attended by Jozef Baryla, PZPR Central Committee secretary.

Manifestations of social pathology, and other negative phenomena as well as ways of combatting them were discussed during the meeting. Much attention was devoted to the need to focus social activity on strengthening the ethical well-being of society. It was stressed that certain negative ethical phenomena call for the application of decisive countermeasures. Incorrect actions with respect to work and interpersonal relations were highlighted. A lack of respect for older people, unkindness toward others, and low standards in manners and hygiene were mentioned.

The causes of social pathology were pointed out at the plenum. It was established that the influence exercised on production discipline had been insufficient. A rift between laws and labor responsibilities had emerged as a result--wages are rising more quickly than output, there is often a lack of respect vis-a-vis work. The number of unworked hours is too high, as is the number of cases of false claims for social benefits. The continuing danger posed by crimes in which alcohol abuse is an underlying factor was discussed at the plenum alongside economic crimes; a lack of respect for social property; and offenses committed in the conduct of administrative work. Frequent instances of idleness, cliquishness, arrogance, reaping benefits at the expense of other are phenomena that undermine social justice and must be condemned and eliminated in a consistent fashion.

J. Baryla said, inter alia, that it was the job of the party to initiate and coordinate the struggle for society's moral wellbeing and to strengthen socialist ethics. This means countering all that harms society, hurts it, and is damaging to the common good at all times. There is strong public justification for making action in this area a priority, as evidenced by many of the views expressed during the campaign which preceded the Sejm elections. The interests of the party and the state are fully in accord with public expectations in this area. Law observance, stressed J. Baryla, is more than good laws, it is also a social reality created by the actions of actual people, it is the observance of regulations by all citizens, as well by offices and institutions.

The plenum passed a resolution defining tasks for the voivodship party organization in the field which had been the subject of the discussion.

ARMY CONFERENCE EXAMINES POLITICAL INSTRUCTION

AU031335 Warsaw ZOLNIERZ WOLNOSCI in Polish 30 Jan 86 pp 1, 5

/"Own correspondent" report on regional armed forces' conference held at the 1st Praga Mechanized Regiment on 29 January/

/Excerpt/ A regional conference of organizers and heads of political instruction groups devoted to finding improved and more up-to-date ways of conducting ideological and political education in soldiers' collectives was held at the headquarters of the 1st Praga Mechanized Regiment on 29 January. The conference was attended by Division General Tadeusz Szacilo, chief of the main Political Administration of the Polish Armed Forces. Taking part in the conference were officers representing units of the Warsaw Military District, the air force, and the National Air Defense Forces. The conference was chaired by General of Brigades Leslaw Wojtasik, deputy chief of the Main Political Administration of the Polish Armed Forces and chief of the Propaganda and Agitation Department.

The meeting provided an opportunity for those directly involved in conducting political instruction programs at the unit and subunit levels to exchange experiences of the methods currently employed in this area of army education. It also provided an opportunity to voice views on problems currently encountered in instilling in soldiers a socialist awareness. The meeting also afforded an opportunity to work out short-term and long-term activities in this field.

Introducing the discussion, the chief of the Main Political Administration Propaganda and Agitation Department noted the special and important place occupied by political instruction--which harmoniously unites Marxist-Leninist theory with practice deriving from the current sociopolitical situation in the country--in efforts to continually improve the combat readiness of our armed forces.

Life in the army and the nature of instruction in everyday practice have clearly shown that the execution of ideological and political tasks in units of the Polish Army has been conducted well and consistently. The execution of these tasks has produced undeniable results in the form of a systematic increase in soldiers' political awareness and in their active involvement in discharging their military and civic responsibilities.

However, organizers and heads of political instruction groups in individual military communities also realize that it is not enough to keep on using the same methods of operation in an area of such importance for the socialist education of the younger generation. Life continues to make it imperative to search for continually better ways of conducting ideological work; to eliminate flaws and shortcomings; and to update instruction methods.

Precisely these realities gave the discussion an imaginative and constructive character. It is obvious that in our difficult economic situation it is impossible to close all the gaps that exist. Economic solutions must, therefore, be sought but these solutions should not entail abandoning modern methods and modern technology.

While welcoming the introduction of new teaching aids, certain speakers, among them Maj Tadeusz Jarosz and Capt Jerzy Pytasz, noted that even the most up-to-date technology is no substitute for people in the area of ideological training, people who are committed, well trained, and who identify themselves with the views which they express. They suggested, therefore, that heads of instruction groups continue to be assisted. Most heads of these groups are young cadres who are eager to work but in need of assistance and goodwill. Training programs that are well prepared and carried out well, courses in instruction and the methodology of teaching, enhanced by the inclusion of practical demonstrations and corrections to the program, should definitely make matters significantly better.

Capt Kazimierz Seliga, Stanislaw Furman, and Jacek Juszcuk raised a particularly pertinent issue in the view of those attending the meeting. They draw attention to the low level of participation, at least during the first stages of instruction programs, on the part of those attending classes. The basic cause of this is the great range of backgrounds from which participants come. To influence their awareness effectively one must get to know them, their interests, and their level of knowledge. It is the responsibility of the head of the political instruction group to do so.

Addressing participants in the conference, Division General Tadeusz Szacilo, chief of the Main Political Administration of the Polish Armed Forces, expressed his respect for the complete dedication and the ability to unite military duties with didactic and instruction duties displayed by the organizers and heads of political instruction groups in the armed forces.

Your motto, said the general, is to teach and to educate, to create the intellectual foundation of soldiers' attitudes. This does not mean conveying knowledge in the narrow sense but creating the underlying ideological and ethical basis which shapes the manner in which soldiers understand and view their military and civic responsibilities.

The chief of the Main Political Administration also pointed out the role of subunit commanders and heads of political instruction groups in strengthening discipline and eliminating the many negative phenomena which exist in army life. This role is of no small importance for the further improvement of combat readiness, and for shaping the socialist awareness of soldiers who, in the year of the 10th PZPR Congress, will realize ambitious military and civic tasks. The general also described the main ideological and political tasks in the pre-congress campaign.

PUBLISHER ON PRINTING WOES, CENSORSHIP, OPPOSITION AUTHORS

Poznan WPROST in Polish 3 Nov 85 pp 4-6

[Interview with Stanislaw Bebek, president of the publishing cooperative "Czytelnik", president of the Polish Association of Book Publishers, by Janusz Michalak: "Intellects Must Also Be Furnished"]

[Text] It is well known that the situation of the Polish book and the publishing movement is not good at present. It strikes at publishers, authors, and at readers in general while they are trying to find good, valuable books in various fields but leave the book counters with empty hands. Is there a chance for emerging from this difficult situation? What do the publishers think about it? This conversation with Stanislaw Bebek, president of the Polish Association of Book Publishers, begins a cycle of articles on this subject.

[Question] Mr. President, I have come to you for a prescription on what must be done to cure the present situation in the Polish publishing movement?

[Answer] You are an idealist if you believe in a miraculous prescription. However, what must be done is known to all of us in this establishment, from the common printer to the ministers and members of the planning commission. Before your arrival I had a telephone conversation with one of the economic vice-presidents who was asking me for a certain book which he can't find anywhere. Do you think he isn't aware of the situation?

[Question] If everyone knows what the situation is and what must be done, then why..?

[Answer] Today, in Poland, it is not possible to cure one area, "one piece of life", and bring it to perfection if all that is connected with it is not functioning properly. We publishers are in just such a situation.

But there is no crisis in the publishing movement, the crisis is in printing. The publishers could blanket the country with valuable texts which the people would buy, but they have no place and no equipment on which to print.

In the 1970's when we spent billions in various fields, we spent hardly anything on the printing industry. In that situation a real "lucky event" was the fire at the "Dom Słowa Polskiego" printing establishment several years ago. Thanks

to it it was possible to expand the printing base somewhat, but, more importantly, to improve the work safety conditions for the workers.

The major part of equipment in printing houses is falling apart; 60 percent of the printing presses are over 55 years old. In spite of sporadic remedies to some shortcomings the production capacity has not expanded because it has reached its limits. The publishing movement in Poland is stuck as well.

[Question] Three years ago, though, there was a large jump in publishing?

[Answer] But why? Because we utilized the time when periodicals were not being produced during martial law. We used those presses and paper, and now we are trying to prevent ourselves from being kicked off. But our perspectives are bad. As you can see for yourself, the kiosks are presently full of periodicals.

[Question] How many titles does your publishing office put out in a year?

[Answer] We planned in good faith, hoping for development, as was predicted, and we wanted to publish, for example - this year, about 300 titles. Then we corrected the plan to 210 titles, but really only 170 will appear if things go well. But we have contracts going all the way into 1990. I do not know if I am emphatic enough, but this fact presents a real drama for authors and publishers.

[Question] If the situation is so difficult then how do you explain the fact that bookstore racks are full of books? But most often "that one" cannot be found?

[Answer] I protest against putting the situation in this way. There are no unnecessary books. The general opinion, that bookstores are filled with trash is false. After all, each book has an author and a publisher. One should talk in concrete terms, not anonymously. In Polish journalism this manner has spread, only Jan Marx of KULTURA, abstracting from his reviews of specific books, has come up with an honest method and "socks" it to actual authors and publishers.

[Question] If we assumed that there were no unnecessary books, then you will no doubt agree that in the present situation of enormous shortages there are books which are more or less necessary than others. Even the director of PIW [Polish Publishing Institute], Andrzej Wasilewski, has given examples in the media, of large press runs of books which, should we say, are less than necessary?

[Answer] So what are you proposing? Mr. Wasilewski proposed 200 titles which should be printed in large numbers and which would give Poles a cultural grounding. To me this means cultural suicide. How can you tell someone to read those 200 books and no others? What do you mean by a large press run? This would mean taking other books off the presses.

Of course there is a shortage of the classics, so we print them. I have printed a million copies of "Pan Tadeusz," but not many people are aware that I had to stop the printing of 30 books by modern Polish authors to do it.

[Question] But the daily press reported that this was done through the utilization of "surplus" paper and press time.

[Answer] Some surplus! It was the same paper and the same presses.

[Question] But even PIW publishes books in large press runs.

[Answer] Yes, when they are low on funds they print Sienkiewicz. But should our thoughts run only to the classics? After all, today people are writing books and want them published. The first timers must try, must even have the right to make mistakes; if the first book does not turn out then perhaps the third one will. There is no other way of raising writers but by publishing them.

[Question] I agree, we must publish both the first-timers and the classics. We must publish Polish literature and some of the more interesting foreign works. The problem, no doubt, lies in the proportions.

[Answer] Presently, the publisher cannot set the proportions. From this year's plan I know that we will not publish about 50 of the proposed titles. But I have no way of knowing which titles will come out and which will not. It is fate that intervenes in deciding the "proportions."

[Question] How do you establish the publishing policy?

[Answer] We manage to cope. All I can say is that all books published by "Czytelnik" are sold and get decent reviews. Our inventory is zero, while we produce one billion zlotys worth of books. Our supply is worth 60 million zlotys which is exactly the amount which, for example, is sent from the printing house in Olsztyn to the warehouse from which they are distributed to bookstores.

The problem lies in the controls and analysis of factors which are continually "governing" the proper functioning of the publishing houses and which create dense memoranda on the subject. We are continually being asked what titles and which authors we are going to publish in a given year. What is the importance of such information? After all the subject of the book is known only to us, and as for the author it can only be said whether he is politically "proven" or not.

One would like to say, "Leave the publishers in peace." Since the publishers are already in their positions then they should have the right to make decisions, and they will manage for themselves. One should trust the publishers.

[Question] Especially since, according to the reform, publishers are now independent?

[Answer] The only one who can be independent is the one who has the funds, and, in our case, the technical means to publish books. But really, at present we are independent from intervention by officials who at one time were able to direct us.

[Question] You are independent, but according to the reform, you are also set up for obtaining maximum financial gain.

[Answer] If at "Czytelnik" we make, for example, 100 million zlotys in profit, then 69 million zlotys are taken up in taxes. We are not set up for profit, but I must admit that we need money. Even if it is used to pay the printing houses on time, a factor which determines when a book will be put on the presses.

One cannot ignore the fact that the introduction of economic rules into the publishing movement has created, in my opinion, a harmful effect, which is the printing of books used to stupefy society. I am referring to books about divining, bio-electricity, the laying on of hands, and the like. This is a phenomenon about which not much is said but it is very harmful to society.

[Question] Mr. President, economic rules govern publishing and the book market now is very absorbent. In this situation it must be easy for publishing establishments to make money. The publishers then must be in a comfortable situation which causes many to follow the path of least resistance.

[Answer] I do not understand.

[Question] There is an opinion that many publishers do not wish to take risks by publishing young "untried" writers or the so-called controversial ones. An insured posture seems to be most profitable.

[Answer] In a certain sense it may be said that it was always like this. I'd like to add that it is less so now than before because "mistakes" now carry no special penalty.

Carrying excessive insurance is unnecessary today, but it still happens. But this concerns specific individuals in the community and we know them. We know those who do not want insurance as "a principle" and publish difficult books; for example Andrzej Kurz from the Literary Publishers in Krakow. For years he has maintained that he will publish good books - not specific authors. This is because literature is not hagiography for certain persons.

This view is held by the highest officials. There is a principle in effect that even if someone considers himself a member of the opposition but writes books that are deemed beneficial from our point of view, then we will publish them. Our office, for example, in accordance with this principle, has published Andrzejewski for years, and still publishes him in spite of certain "suggestions." For example, we publish Tadeusz Konwicki and other young writers who have certain and not other views on political subjects, things they know nothing about, but who write promising books... Now, in the case of publishers

who only look for insurance I have a proposition for you journalists and critics; gentlemen, take them to task and work them over in the press so that they would know that in their profession there should never be an insured position. If such a publisher rejects a good book without a good reason then he should reap the consequences.

This, however, is a specific problem that concerns specific people in specific publishing houses. It has nothing to do with the government. From that direction, I assure you, we have never had so much creative freedom. Not one of our current books has been held back by the censors.

[Question] Did this happen often in the past?

[Answer] With the last team four were held back. But I did not break up the set. I made chalk proofs, and when I was finally allowed, then in the period of two weeks I published them. We at "Czytelnik", also, for example, published "Salve for Rats" by Madej, a book that was previously published by the Literary Institute in Paris.

[Question] Some say that it is easier for writer who is connected with the opposition, or to say more delicately, one who feels some unease toward the government, to publish a book than for a member of the new Literary Union or for a so-called loyal author.

[Answer] The criteria of loyalty or opposition should have no significance. The actual book must be the deciding factor. If it is valuable and contributes to the treasury of human thought then it deserves to be published. If it is merely a declaration of loyalty, then it does not.

[Question] Let us move on to a different problem. For the Polish reader it is not only important that Polish books are published, but that they not lose contact with interesting developments in world literature. What are the prospects since we all know the difficulties with hard currency...

[Answer] There are no special difficulties with hard currency. Our publishing house, for example, for 3 years has not spent a single dollar on these books. Why? Because we have developed relations with authors and publishers in the West. We maintain contact and tell them that presently we can only pay them in zlotys. When we have dollars then we will pay in that exchange, but as long as we don't have them then...

[Question] And they accept these arguments?

[Answer] Perhaps unwillingly, but for the most part they accept them. This is why, even during the most difficult period during martial law, a time of tight restrictions, we did not drop these contacts. Of course there are those publishers who would rather write a request for hard currency rather than go to a little trouble, but I believe that in the present situation that would be harmful to the economy, a phenomenon that should be treated like all the other examples of waste.

[Question] Strongly said! What can those publishers who have no contacts do? Perhaps an answer could be found in printing certain books for foreign distribution. In such a case could not the publishing houses establish their own pool of hard currency?

[Answer] Even those who publish for foreign distribution do not have such a pool since the regulations do not permit it.

[Question] I have heard that having Polish books printed outside the country, encyclopedias for example, costs three times as much as buying new modern equipment outside the country for producing these books in Poland.

[Answer] This is true, but first one must have the funds for such a purchase. For example, we paid for the printing of encyclopedias in Finland through extra deliveries of cement. We send waste paper and rags to Yugoslavia, etc. These activities are very effective and indicate that everyone here has not lost his head in a difficult situation.

[Question] You then believe that in spite of the shortages of hard currency we are not in danger of losing our contact with modern world literature?

[Answer] Of course we won't. Any publisher who makes the effort to obtain foreign contacts makes them and can publish the books. The danger is from another direction.

Shortages of various resources are forcing us to cut back our publishing plans; the proportion between domestic and foreign literature is in danger. Of course this is always at the cost of foreign literature, for when it comes to choosing the publisher must always give preference to Polish literature.

[Question] But are there presently many truly valuable examples in modern Polish literature?

[Answer] Unfortunately, there are no great works. In my opinion, modern Polish literature is going through a deep crisis. After great historical events we only have third class literature on the subject. Perhaps it is too early and my expectations are too high; but it is a fact that there are no truly meaningful books on these subjects in the official or the so-called second circulation. I must admit that this is our chief worry.

[Question] Mr. President, "Czytelnik" and other large publishing houses operate in Warsaw. There is a colony of publishers here, as you have mentioned in previous interviews, which is but a few steps from all centers including the government. Is this situation a help or a hindrance?

[Answer] It varies. From one point we are constantly susceptible to constant "suggestions" and telephone calls which distract us from our work. On the other hand, here is a concentration of writers, translators, and critics which enables us to make decisions quickly and come out with initiatives.

[Question] Do you support the postulate spread by our press that in our present situation a certain redistribution of resources is unavoidable; that

after assuring the necessary allocations to keep small establishments going and developing, most of the resources should be concentrated in the leading publishing offices which make the greatest contribution toward supplying the book market and assure the best conditions for satisfying the reader's needs?

[Answer] I do not support this postulate. I cannot stand centralization. It is a fact of life in Warsaw but I won't change it since I am not willing to move the Dom Słowa Polskiego. But the small publishers must not be destroyed because we need them all. Conversely, we must build up the smaller publishing centers and decentralize the publishing movement.

For the present situation there can be only one postulate - we must fight bureaucratic thinking at the highest levels and modernize the printing houses. This is because if one day the economy begins to move, then that will be the end of the Polish publishing movement. Then, for the ordinary advertisement of products we will need all kinds of beer labels, operating instructions and pamphlets with which books cannot compete.

[Question] The printing houses prefer this type of work over labor intensive books?

[Answer] This is not a question of "preference," the situation is forced upon them.

If we assume that after 5 years there are to be 1.5 million more citizens in Poland, then let us consider the fact that we will need more schoolbooks; then indeed the future looks black. If the economy moves, and I sincerely hope that it will, then the increased need for instruction books will crush literature. This will be a real tragedy.

[Question] As far as I know, you have conferred on this matter with the highest officials.

[Answer] And not much has come out of these meetings. Everyone is kind; they say that they understand the situation, but still no decision has been made on this matter. In this way we may be petted to death. But some decisions have been made earlier. New printing plants were to be built in Poznan and Torun, but nothing practical has come from that decision.

[Question] Perhaps we have been lulled by the success achieved after the prime minister's appeal, when production of books increased rapidly from 3.7 copies per person in 1981 to 6 copies per person.

[Answer] I explained earlier that this was only possible in a situation when printing presses were standing idle. But no one seems to pay attention to the fact that the number of titles has decreased. In practice this means that entire fields of endeavor have been removed from publication. Just look at what has happened to scientific publishing. Publications from scientific congresses appear years after the event. The scientific book, in many cases, has become historic literature. Out scientists cannot exchange works with their colleagues in other nations. Time is especially deadly to those books.

[Question] Some journalists believe that the lack of decision on the matter of developing the printing industry is the result of the fact that publishers are not a strong enough lobby and do not exert sufficient pressure on the specific government units.

[Answer] We do not need a lobby but a little imagination about what will happen when the economy starts to move. There must be a balance struck between the present poverty and thought for the future. Presently we have reached the limits of printing capacity and it can only get worse. Most necessary in this situation is even a gradual modernization of the printing houses, and the building of new ones in Poznan and Touun.

We must keep reminding the public that it is a duty of a people who represent the socialistic system to care not just for the furnishing of apartments but also for "furnishing the intellect." Meanwhile, the bourgeois life style which has become established during the 1970's seems to hold sway. We care more about satisfying our passing whims than about the intellectual culture of our nation and in this the book is most important.

[Interviewer] Thank you for the interview.

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DAILIES FOCUS ON CPSU PROGRAM CHANGES

Correspondent Praises Party Primary

Warsaw TRYBUNA LUDU in Polish 14 Nov 85 p 6

[Article by Jerzy Kraszewski, Moscow correspondent: "The Class Vanguard"]

[Text] The nature of the proposed changes and additions to the CPSU statute corresponds to the nature of the new wording of the party's program. Both documents have the same genesis: they stem from the important and vast theoretical work performed recently by the CPSU. They arose out of the past experience in building socialism and a penetrating, realistic, Marxist-Leninist analysis of the Soviet society's state of development. A theoretical thesis was drawn from this analysis as to the growth of the leadership role of the party--which is the nucleus of the socialist political system--and a new approach to all aspects of party work was proposed. While remaining the party of the working class--its vanguard--the CPSU also became the party of all of the people.

Discipline and Democracy

The basic meaning of the proposed changes in the statute depends on the preservation of dialectic unity between greater intraparty democracy, activeness and initiative, and a growth in responsibility, with all that this entails. On one hand, the standards of intraparty activity require that democratic principles be observed, and on the other hand, that party discipline be observed, that the minority yield to the decisions of the majority. Both parts of this formula--democracy and discipline--which pertain to party members equally as much as they pertain to party organizations and echelons as communist groups, must be examined and applied jointly. Only then will their political and organizational effectiveness be ensured.

In this context also we must examine the plan for an expanded concept of the party members' problems, duties and rights. In the new version of the statute, communists' duties are outlined more fully and in greater detail than in the document now in effect. They include adherence to the party's general line, constant improvement of Marxist-Leninist knowledge, exemplary behavior on the job and in one's personal life, observance of standards of communist morality, and critical evaluation of one's own work and attitude.

In fact, the entire chapter "Party Members, Their Duties and Rights," reads entirely differently in the new draft. It reads like a catalogue of traits which describe the communist stance and determine the party member's ideological, moral and political profile. But in no way is this simply a catalogue of postulates. The statute also draws up a system of actions which shape the desired attitudes and exact them.

Unquestionably, the list is headed by a set of provisions relating to membership. Criteria for acceptance are more stringent, recommendations are regulated, rules of work with candidates are defined, and the practice, already in effect, that members will be accepted into the CPSU only at open party meetings, is sanctioned.

It is emphasized that party membership does not bestow any privileges or conveniences, but only imposes heavier burdens on the communist, more duties and greater responsibilities for everything that is done. Demands on party members clearly increase.

I believe that these more stringent ideological, moral and political criteria, the pressure to maintain high communist standing, the sense of communist pride, deserve separate and more thorough consideration.

Leadership, Control

A similar, separate consideration is doubtless due the statutory increase in the Primary Party Organization's role in the party's activities, its responsibilities, expanded political, ideological and leadership functions, and its larger role in party meetings.

"The Primary Party Organization (PPO)," we read in the draft of the changed version of the statute, "is the political nucleus of the workers' collective. It conducts its work directly among the people, unites them around the party, organizes them to execute tasks in the building of communism, and takes an active part in conducting the party's cadre policy."

In practice, this means, for example, that the economic and state leaders and activists are under constant party control, that they are responsible for their work directly to their own party organizations. This means also that the PPO's are the inspirers and activators of initiatives which serve to intensify production, accelerate scientific and technical progress, modernization, growth of labor productivity, etc. At the same time, they conduct ideological and educational work among the workforces.

In the CPSU attention is often called to the fact that if the program concepts were to be restricted strictly to considering and mirroring the attitudes and moods already existing at a given time, and did not try to deliberately change them, we would be dealing, using Lenin's words, with an abandonment of spontaneity. However, it is the party's duty to change reality.

The party's control function in factories, ministries and other state and administrative institutions, is growing. The CPSU PPO's have had the right to control administrations for a long time already; the new version of the

statute elevates this right to one of the most important tasks. It is regarded as one way by which the party can fulfill its leadership role.

In passing, let us take note of something else: In increasing the PPO's role in the conduct of cadre policy, the party is also requiring more from its management employees in the state and economic apparatus. The primary organizations and echelons have a duty to enforce their responsibility for the implementation of the party's resolutions and instructions.

Leninist Standards

That which is most important in the draft of the new wording of the CPSU statute: Raising the level of the party's political and organizational work, making evaluation criteria more stringent, ensuring the purity of party membership, and improving the performance of the leadership role, so that the party in all of its elements--from the Central Committee to the primary organization and group--is truly a deciding factor in the government.

That which is innovative in the proposed new version of the statute: Skillful coordination of the party's increasing leadership functions, a distinct growth in its guiding role, while creating conditions for the development of independence, initiative and activeness in state and social institutions and organizations. First, such an approach makes these institutions responsible to the party, and second, it cautions against their being duplicated or replaced by party echelons.

The detailed rules for exercising the leadership role in this area are outlined in a new chapter, "The Party and State and Social Organizations."

It may be said, therefore, that the requisite for a program which effectively perfects socialism, the requisite for improving the quality of social, political and economic relations, is comprehensive activation of the party. Activation which is understood to be full compliance of practice with the Leninist theoretical concept of a new-type party. A concept based on the principles of democratic centralism.

"The CPSU organizes its work on the basis of the inviolable observance of Leninist standards of party life, the principles of democratic centralism, collegiality of leadership, comprehensive development of intraparty democracy, creative activeness of communists, criticism and self-criticism, and openness,"--the new version of the CPSU states.

Socialist Life Model Provided

Warsaw TRYBUNA LUDU in Polish 19 Nov 85 p 7

[Comments by Jegor Ligaczow, CPSU Central Committee Politburo member and Central Committee secretary, on the draft of a new wording of the CPSU program]

[Text] (PAP) A partywide and nationwide discussion is going on in the Soviet Union on important documents dealing with theory and policy, including the draft of a new version of the CPSU program.

In raising these issues, Jegor Ligaczow, CPSU Central Committee Politburo member and secretary of the Central Committee, said in KOMMUNISTA that the draft approved at the October 1985 plenum of the CPSU Central Committee retains the basic provisions of the party's third program, now in effect, and therefore it is entirely correct to regard it as a new edition of the CPSU's current program. Despite the fact that for many reasons we have not been able to solve some social problems within the time set, our successes convincingly contradict the fictions of imperialist propaganda that the third program failed and that we were forced to abandon it, Ligaczow writes.

The author calls attention to the fact that implementation of the third program was begun at a time when the international situation was very complicated. At that time there was no military-strategic balance between the Warsaw Pact and NATO. During the past quarter century the arrangement of forces in the international arena has changed in favor of socialism. An approximate military-strategic balance between the USSR and the United States has been established. This is a historical achievement of real socialism, Ligaczow says, which makes it possible, as the new version of the CPSU program demonstrates, to defend and strengthen peace, to restrain the forces of aggression and militarism on behalf of the lives of present and future generations. Ligaczow then emphasizes that the Soviet party, better than ever before, now understands the inadmissibility of "leaping across historically indispensable levels of social progress, applying communist principles and formulas without considering the material and spiritual maturity of the people."

In comparison with the program now in effect, the new version contains many new and important provisions: On a planned and comprehensive improvement of socialism; on methods of moving to an intensification of the economy, improving the management system and ratios of division; on obliterating social-class differences, solving the nationality questions, and establishing a new historical community--a Soviet nation; and on socialist self-administration and the prospects that it will gradually transform itself into a communist self-administration.

The author next calls attention to the fact that in the formulation of the party's strategies dealing with the economy and the development of technical-materials facilities, in the draft of the new version a problems-approach predominates, and not a sector-approach, as heretofore. The goal is to achieve the highest labor productivity in the world and double the country's production potential by the end of the century.

The party's social policy is looked upon in the draft as a powerful means of accelerating the country's economic development, increasing the activeness of the people as an important factor in the political stability of society, shaping a new individual, and strengthening the socialist model of life--Ligaczow emphasizes.

Technological Development Discussed

Warsaw RZECZPOSPOLITA in Polish 23-24 Nov 85 p 7

[Text] PAP correspondent Slawomir Popowski writes: What can be done to hasten technical progress and improve its effectiveness in the economic area? How can we ensure rapid application of new engineering and construction solutions which guarantee a growth in labor productivity and thus better results? Those are the problems which are most often raised during the nationwide discussion now going on in the Soviet Union on the draft of the new version of the CPSU program and the main courses of development in the USSR to the year 2000.

In the many items published every day by the Soviet press there is talk not only about the goals but primarily about how they can be achieved, about what past experience might be helpful in the future and the obstacles which still exist.

Program Changes Viewed

Warsaw TRYBUNA LUDU in Polish 30 Nov-1 Dec 85 pp 1, 7

[Report on scientific conference organized by the PZPR Social Sciences Academy and the Executive Committee of the Polish-Soviet Friendship Society]

[Text] The draft of the new wording of the third CPSU program was the main topic at the scientific conference organized by the PZPR Academy of Social Sciences and the Executive Committee of the Polish-Soviet Friendship Society (PSFS), in which Polish and Soviet scientists and a large group of PSFS activists took part. The conference was conducted by Prof Wieslaw Iskra, deputy rector of the Academy of Social Sciences. The following papers were delivered: By Prof Anatolij Amwrosow, "Perfecting Socialism by a Historical Stage on the Road to Communism"; by Prof Prokofij Andrejew, "Strengthening the Leadership Role of the CPSU in the Life of Soviet Society,"; by Prof Valentin Kuzniecowa, "Prerequisites for the Soviet Economy to Move into Intensive Development,"; and by Prof Tadeusz Jaroszewski, "The International Importance of Experience in Socialist Building in the USSR."

Professor Amwrosow said that the draft of the new CPSU program is a document which continues and expands CPSU strategy, draws general conclusions from a wealth of experience and takes into account proposals stemming from the changed internal and international situation, based on Marxist-Leninist theory. The scientific bases and the realism of the party's political line and its organizing role are the basic premises for the mobilization of party members and all of society for the accomplishment of primary tasks.

The points contained in the draft of the new version of the CPSU program have been treated in detail in that portion of the draft dealing with the main courses of the country's social and economic development. In it the party's assumptions are translated into the specific language of planned tasks and figures for the next 5 years and for the period to 2000. Prof Valentin Ruzniecowa spoke very interestingly about this, saying that over the next 15

years an economic potential will be built which will be equal to that built over the past 68 years. This goal can be reached by rapidly applying scientific and technical advancements, quickly expanding the machines industry, changing the mechanism for establishing prices, giving priority to production of modern products meeting world standards, and improving production relations.

The draft of the new edition of the CPSU program, which generalizes the rich, practical and theoretical achievements of the CPSU, the entire contemporary experience in building socialism and communism, has important international significance. Prof Tadeusz Jaroszewski spoke of this at length. Stanislaw Wronski, chairman of the Executive Board of the PSFS, also referred to these problems in his speech, saying that a stronger USSR economic and defense potential is closely linked with the security of Poland and its economic development. Often the past governs the present, and thought should be given to what should be done for it to govern the future. The new version of the CPSU program and the discussion which developed after it was published, shows how this can be done.

The following persons attended: Henryk Bednarski, PZPR Central Committee secretary; Wlodzimierz Natorf, head of the PZPR Central Committee foreign department; and Aleksandr Aksjonow, USSR ambassador to the Polish People's Republic. Others who participated include representatives of the PZPR Central Committee Ideology Department and of the Main Political Administration of the Polish Armed Forces, and representatives of the Soviet Army in the Warsaw Pact and the Northern Group of Soviet Armies.

9295

CSO: 2600/183

YOUTH, EDUCATION ISSUES HIGHLIGHTED

Enrollment Figures, Majors Described

Warsaw RZECZPOSPOLITA in Polish 15 Nov 85 p 5

[Article by Tadeusz Belerski]

[Text] An analysis of this year's higher school enrollment has been completed. We note that 50,990 people were accepted for the first year of day courses at all types of schools. Most people began instruction in the universities, higher technical schools and agricultural academies.

Czeslaw Krolikowski, vice minister of higher education and schooling, told a PAP journalist that a modified system of candidate selection was in effect for enrollment in daily courses for the 1985/86 academic year. Preferential points due to social origin were retained in only 11 majors. There remains in effect the rule whereby further qualifying procedures after passing the entrance examination were not applied to candidates who received the highest average grades on the entrance examination, candidates who have completed basic military service and those who completed a two-year period of employment in worker positions as well as orphans and those brought up in orphanages.

As in previous years, winners of student olympics and subject competitions and those who passed the entrance examination a year early and received credit for the student work corps were accepted without an entrance examination.

All told, over 110,000 candidates competed for admission to the first year of studies. The majority of the applications were noted in the universities, higher technical schools, medical academies and higher schools of education. There were 3.4 candidates for each place at Warsaw University and three candidates for each place in Poznan. Almost three candidates for each place applied to the Higher School of Education in Slupsk.

Major differences were noted in particular courses of study. Spanish was most crowded, with 8.6 people for each place, 6.9 for art history, 5.7 in psychology. In economics schools, economics and the system of foreign trade were popular. In the technical schools it was data processing and in the agricultural academies it was horticulture. Traditionally the fewest candidates applied to register for physics and chemistry.

According to our estimate, the number of worker and rural youth interested in beginning studies at higher schools of education, economics and agricultural academies and higher naval schools rose slightly. More young people from worker families were interested in beginning medical studies.

The candidates' level of preparation was analogous to previous years--varied but overall similar. A still disturbing phenomenon observed on the examinations was the applicants' lack of skill in logical and precise thinking and poor competence in the proper expression of their ideas.

The Ministry of Higher Education and Schooling, together with the department of education and upbringing, continued the system of preparatory courses conducted free of charge for candidates from worker and rural families, from families with extremely difficult environmental circumstances, orphans, half-orphans and those reared in orphanages. The candidates were evaluated by the high schools with the approval of the superintendents of education and upbringing. This generally proceeded properly, but there were recommendations that were mistaken or submitted too late. More than 16,800 people were recommended for participation in the June preparatory courses. Unfortunately, only 13,000 reported to participate in the courses. Among the participants, more than 60 percent were young people of worker origin. A major portion of the young people attended classes irregularly. Perhaps the reason for this is the fact that the courses and the young people have free room and board.

As in past years, classes were conducted in all examination subjects in the form of lectures, seminars and exercises. The participants' daily load amounted to from six to seven hours. Some 57.5 percent of the candidates participating in the courses received favorable results on the entrance examination. Of the young people of worker and rural origin, 56 percent passed the entrance examination.

Our department wishes to continue this form of preparation for the examination.

National Young Marxists Forum

Warsaw TRYBUNA LUDU in Polish 16-17 Nov 85 p 2

[Text] The large hall of the Academy of Social Sciences [ANS] was so full that there was a shortage of chairs. On the wall was the caption, National Forum of Young Marxists--"Marxism and the Present." They came to Warsaw on 15 November from throughout Poland, from all schools, at the invitation of ANS's young scientific employees.

Dr Marek Kuczynski (also young), the academy's education secretary, and Dr Mariusz Edgardo, chairman of the young scientific employees, performed the honors of the house. Professor and deputy rector Wieslaw Iskra welcomed those attending in the school's name, recalling his own youthful road to Marxism, wishing the program complete success and declaring support for it on the academy's part. Two discussions were anticipated, on the speech by Dr Mirosław Karwat, "What it Means to be a Marxist in the 1980s" and by Prof Jarosław Ladosz, "What and How to Study as a Marxist."

The thematic scope of the discussions exceeded its intended limits. Discussed were conditions in the social sciences, the future of young scientific personnel, methodological issues, the place of Marxism in the modern world, scientific and para-scientific theories, the state of youth awareness and relationships between theory and practice--a great deal for a meeting of a few hours.

For the first time in several years, however, the voice of the young and youngest generations of Marxists was heard in a forum broader than one school or institution. Among the participants in the discussions there were also practitioners, active members of youth organizations. The organizers of the meeting associated a number of different goals with their initiative, among which certainly not the least important are integrating a group which is not very large, becoming better acquainted and exchanging experiences, ideas and concerns. These aspirations are major and necessary, not only for young people.

Conference Promotes Adult Education

Warsaw ZYCIE WARSZAWY in Polish 22 Nov 85 p 2

[Text] Proceedings of the Ninth National Congress of the Society for the Popularization of Culture [TWP], the largest organization in Poland that deals with adult education, began 21 November in Warsaw. The TWP, established in 1950, grew out of the progressive traditions of the Society of Workers' Universities and the Society of People's Universities. It presently brings together over 40,000 members--popularizers of various areas of knowledge and organizers of educational activity. During the almost completed four-year term of lectures and meetings, of which there were nearly half a million, over 17 million students participated.

Delegations from TWP groups from throughout Poland came to the Ninth Congress. Guests of honor at the congress were Zenon Komender, vice-chairman of the State Council, Prof Zbigniew Gertych, vice-president of the Council of Ministers, Prof Tadeusz Porebski, PZPR Politburo member, Prof Henryk Bednarski, PZPR Central Committee secretary, representatives of the ZSL and SD, the PRON National Council and several ministers.

Prof Janusz Gorski, TWP president, presented the program's report to those attending. Prof Gorski began with the statement that the passing term has been one of difficult choices. They resulted not only from the socio-economic crisis of the early 1980s but also from unfavorable changes in the consciousness of part of society. In choosing the programmed line, TWP was guided by the notion of national understanding, the support of rational attitudes and attempts to overcome passivity.

At the beginning of the 1980s the society experienced a period of decline marked by a drop in the number of members and a limitation of activity. The number of lectures during the 1981/82 academic year fell by half in relation to 1980, while the number of permanent centers decreased by two-thirds. Likewise the number of clubs declined. However, just two years later the society achieved a scale of activity similar to TWP's best year in 1979. In the most recent school year the society's activity was more intensive than in

any previous period of its existence. TWP ran 4500 permanent education centers, almost 3800 courses and 1800 clubs, while instructors gave 158,000 lectures. Almost 7 million people participated in all forms of TWP's work. A tripling of the society's income over the past four years also permitted effective resolution of the problems of TWP's paid employees and lecturers and permitted rectification of instructors' rates, which had not been adjusted for some time. The proportion of subsidies in the society's funds also decreased.

In recent years the forms of work have also been changing. The concept of establishing an open university in Poland as a higher school to supplement the present educational system, the first among the socialist countries, has been worked out. Some of the public universities have been subject to modification. They have been altered in the educational and cultural centers that play a major role in the society. Experiments such as the Community Public University (in Uscinow near Lublin) or the Multidepartmental Public University (in the "Telkom" plant in Poznan) have been undertaken.

Politburo member Prof Henryk Porebski, in his speech to TWP Ninth Congress delegates, expressed appreciation to the society, which operates in support of shaping positivistic attitudes, rational activities and organized work, which has not been easy, especially in recent years. A fundamental problem for the immediate future is drawing those social groups who remain passive into TWP activity.

Many of the delegates to the congress spoke about a model for disseminating knowledge in worker and rural centers. Delegates from similar societies for the spread of knowledge and education in socialist countries presented their own experience from that activity.

Tomorrow the second day of proceedings.

12776

CSO: 2600/169

SEJM ADMINISTRATION, GOVERNMENT ACTIVITIES

Malinowski on Efficient Government

Warsaw RZECZPOSPOLITA in Polish 18 Nov 85 pp 1,2

["Directions of Action of the Ninth Session of the Sejm" -- PAP report, subtitled "Roman Malinowski at Center for Postgraduate Training of Government Employees"; passages within slantlines printed in boldface]

[Text] /(C) On 16 [November 1985] Speaker of the Sejm Roman Malinowski met with the faculty and students of the Center for the Postgraduate Training of Government Employees. During the meeting the speaker touched upon problems relating to the operation of our supreme deliberative body as well as upon activities of the government./

He offered the reminder that the main directions of action of the Ninth Session of the Sejm are conditioned by economic problems. In this field the parliament faces the vital task of accepting a 1986-1990 national socioeconomic plan in which the requirements of the economic reform would mesh with the socioeconomic aims of the country. The choice of the ways and means facing the Sejm in this connection will not be easy.

/The anticipated changes in the work of the Sejm relate not only to shifting the point of gravity from the legislative to the control function of this supreme deliberative body./ This also concerns, the Speaker stressed, the further strengthening of the bonds between the deputies and the voters as well as refinements in the performance of the Sejm's bodies.

Much attention was devoted to problems of the functioning of the government. These days, R. Malinowski pointed out, /changes have taken place in the functioning of certain central bodies of the government. This is the second time the changes are happening on such a scale in the last few years, but additional changes are also to be expected in measure with the application of the [economic] reform, which after all requires modifying the administrative structures. A general principle for perfecting the democratic processes is the departure from the system of centralized administration and the delegation of powers to self-government bodies./ The changes taking place in the central administration are of a similar nature. The operating mechanisms of local government are being strengthened, although practice still leaves much to be

desired in this respect. Hence, local administration should pay more attention to cooperating with self-government and socio-occupational bodies in their areas. This concerns chiefly co-participation in decisionmaking. The state of public administration is affected by the consequences of the socioeconomic situation. In such conditions, the efficiency of administration is considerable.

Public Administration Improvement Goals

Warsaw RZECZPOSPOLITA in Polish 21 Nov 85 pp 1,5

[Report signed (FOR): "To Administer Means to Serve the State and the Citizens; Conference of Academicians and Practitioners Attended by Prime Minister Zbigniew Messner"; passages within slantlines printed in boldface]

[Text] /(Own information) (C). On 20 November of this year a 2-day conference on the role of the code of administrative proceedings in streamlining the activities of government offices came to an end at the URM [Office of the Council of Ministers]./ The plenary session, chaired by Professor Zygmunt Rybicki, undersecretary of state at the URM, was attended by Prime Minister Professor Zbigniew Messner. The participants included representatives of the Supreme Administrative Court, law experts from academe and government employees of varying rank.

Prime Minister Zbigniew Messner stressed that the conference is not just an occasion for assessing the code of administrative proceedings on the 25th anniversary of its promulgation but also a symbol of the administration's desire to streamline the performance of government offices.

Prime Minister Messner continued: "In my Sejm address I emphasized the great importance attached by the government to knowledge of the law, selection of government employees and governmental controls, as well as the importance of a positive attitude of officials toward clients. /We want to have government employees who not only are knowledgeable but display an unassuming and affable attitude toward citizens/ in any situation, even when a matter has to be settled unfavorably to the client. For it is not enough for a government official to declare: 'It's not permitted' or 'Not available.' A positive attitude toward clients is also reflected in the manner in which they are informed of decisions. Let us bear in mind that the government employee is the actual /executor of the state's policy in his community. The attitude of citizens toward the authorities also depends on the public's evaluation of his attitude. Our administration must be coherent in implementing the policies of the authorities and serve the citizens./

Next, the prime minister continued: "Thus, if we demand so much of government employees, we have to bear in mind all the factors encouraging them to upgrade their qualifications and participate in a positive selection of civil service personnel. The achievements of this conference and the intellectual stir it germinated should be creatively utilized to promote these ends."

The plenary session began with reports on recommendations made at yesterday's sessions of the sections, at which the participants stressed the topicality of

the code of administrative proceedings, which is considered to be "a politically rational and legislatively sophisticated" code.

Although the code of administrative proceedings is a durable work, it requires continual verification. In this connection, marked differences of opinion arose among experts. Some propose that it be amended with provisions corresponding to the new nonclassical functions of the administration, such as, e.g., rationing benefits. Other discussants cautioned against hasty revisions and an excessive expansion of the list of cases subject to judicial consideration as well as against exceeding the permissible threshold of "proceduralization." A lively discussion lasting several hours dealt with the application of the code of administrative proceedings to economic matters, e.g., as regards disputes between enterprises and their parent agencies and compensation for the economic losses incurred by implementing verdicts that are appealed upon and subsequently voided.

/The role of the NSA [Supreme Administrative Court] as the guardian and interpreter of the code was repeatedly stressed./ In this connection, it was pointed out that certain government employees attempt a kind of evasion from to the judiciary. Hence, to protect the interests of the citizens, the need to extend NSA verdicts to decisions issued in a different form owing solely to fear of having them appealed was pointed out.

The discussion also included many topics of an organizational nature. With reference to the prime minister's address, proposals were made to restructure the system for training administrative employees and establish specific qualifying standards for the exercise of administrative posts. An improved popularization of the code of administrative proceedings not only among government employees but also among the entire society was also postulated.

Constitutional, State Tribunals Begin

Warsaw ZYCIE WARSZAWY in Polish 21 Nov 85 pp 1, 2

["Constitutional Tribunal Begins Operation, State Tribunal Opens" -- PAP report]

[Text] (P) Concurrently with the inauguration of the Ninth Session of the Sejm a new institution in our legal-parliamentary system, the Constitutional Tribunal, is commencing its activities. The weeks remaining till the new year, when it will begin to operate formally, will be filled with preparatory and organizational work.

On 20 [November 85] the speaker of the Sejm Roman Malinowski handed letters of appointment to members of the Constitutional Tribunal. He stated that they constitute the membership of the first ever tribunal in Polish history to be established for the purpose of evaluating the consonance between the law and the Constitution. He also stated that the need to assure this consonance has always prevailed in the legal doctrine of the PRL, but this view has not always been fully reflected in the daily operations of the government. The creation of an institutional safeguard that genuinely assures real consonance with the constitution and the provisions of all normative acts, particularly

those issued by the public administration, will help promote socialist democracy and a more effective implementation of portentous tasks such as, e.g., the economic reform.

The formation of the Tribunal will strengthen the confidence of citizens in the legal norms established by the state bodies. According to the Speaker, the Decree on the Constitutional Tribunal is one of the most valuable of the numerous legislative accomplishments of the Ninth Session of the Sejm. Referring to the difficult tasks of the Tribunal, whose proper accomplishment is awaited not only by the Sejm but by the entire society, the speaker voiced the conviction that the attitude of the judges of the Tribunal will be marked by a principled approach, service to the Constitution and uncompromising concern for the full implementation of the Constitutionally established legal principles of our system of society.

The Sejm expects of the Tribunal that it will not only monitor the Constitutionality of the laws in force but also provide general comments on the state of the law as well as information on needed implementing regulations relating to fundamental Constitutional norms.

The members of the Constitutional Tribunal were sworn in.

Also on Wednesday, the members of the State Tribunal were sworn in, after R. Malinkowski handed them their letters of appointment. The Speaker emphasized the importance of the State Tribunal as an institution that is to consolidate the role of law and order and whose special purpose is to focus on the principle of personal responsibility of the individuals holding highest state offices for an exercise of power that is consonant with the Constitution and the laws. Working people in Poland desire to have the certainty that the common national wealth generated by their effort shall not be dissipated through carelessness or incompetence.

The Speaker declared that much has already been done to meet these social expectations, democratize the system of society and consolidate the rule of law -- although undoubtedly the initiated lawmaking processes have yet to be continued and expanded. The Ninth Session of the Sejm shall consistently progress in that direction, according to the speaker, who added that, by its very existence, the State Tribunal shall constitute a factor perpetuating the Constitutional rule and law and order, moral and legal, that apply and should apply at all levels of the exercise of power in People's Poland, and particularly at the supreme levels.

At both meetings with members of the tribunals, deputy speakers of the Sejm were present.

Sejm Deputies Clubs Meetings on Budget

Warsaw RZECZPOSPOLITA in Polish 27 Nov 85 p 5

["Meetings of Deputies' Clubs" -- PAP report; passages within slantlines printed in boldface]

[Text] /(C) On 26 [Nov 85] the Sejm deputies' clubs held meetings./

/At the meeting of the PZPR Deputies' Club the continuing work on the main directions of the club's activities during the Ninth Session of the Sejm was considered./ In addition, proposals of the PZPR Deputies' Club submitted to the Presidium of the Sejm with the object of enriching Sejm deliberations were considered. Bylaws of the club were agreed upon. The amount of contributions to the party fund from the deputies' pay was determined.

/At Tuesday's meeting certain economic and financial problems were discussed. The 1986 Central Annual Plan was considered. Characterizing it, Deputy Manfred Gorywoda, the chief of the Planning Commission, pointed out that this plan represents the beginning of the future 5-year plan./ He stressed the effect of the results of this year on next year's tasks and economic situation. In that context, he pointed to the major importance of three issues: the incomplete implementation of the policy of restoring the commodity-money equilibrium, the lower-than-anticipated exports to the capitalist countries and the higher-than-anticipated investment outlays. He emphasized that qualitative growth factors are acquiring an increasing importance and stress should be placed on them next year. /As regards social problems, the 1986 Central Annual Plan assumes, among other things, an increase (by 2.5 percent) in consumption, increases in pensions and annuities, and higher nursery and school enrollment./

Aspects of the projected budget for the next year as well as of other financial plans, including draft decrees that will be submitted to the Sejm on Wednesday, also were discussed. Among other things, the need for more effective price policies was stressed. Attention was drawn to the need for solutions enhancing the interest of enterprises in the application of technological progress and expansion of exports.

The deliberations were chaired by Tadeusz Porebski.

/At the meeting of the ZSL [United Peasant Party] Deputies' Club, whose deliberations were attended by the Chairman of the ZSL Supreme Committee Roman Malinowski, the discussion focused on the assumptions of the draft state budget./ Among other things, the need for a precisely defined concept for halting inflation and regularizing the state's fiscal operations was pointed out. For example, a greater curtailment of budgetary subsidies was supported. /It was emphasized that halting inflation is of fundamental importance to a more effective solution of social problems./

As regards agriculture and food management, the assurance of adequate funds for the development and, above all, modernization of the agricultural and food industries, land reclamation, and rural water supply was postulated. Other topics of the discussion pertained to the need for further refinements of the agricultural insurance system as well as to the question of assuring a parity of farm and nonfarm incomes. Of the current topics the most important one was thought to be the solution of the problem of rural coal supplies. The deliberations were chaired by Tadeusz Szelachowski.

/During the deliberations of the SD [Democratic Party] Deputies' Club the deputies familiarized themselves with the basic assumptions of the 1986 Central Annual Plan and the basic problems of the state budget for the next year./ Representatives of the Planning Commission under the Council of Ministers and of the Ministry of Finance, who were present at the meeting, answered many specific questions from deputies who, e.g., were curious about the intent of fiscal policy toward the crafts industry, which is of great significance to its development. Anxiety was voiced about the monopolization of certain fields of the economy, and other questions raised concerned ways of financing cultural activities from local budgets, effective methods of combatting inflation, shortages of investment and capital-reproduction funds in trade and petty industry, and imbalances between the plans for the production of building materials and the construction plans. The deputies also were interested in, among other things, the application of principles of the economic reform to enterprises nearing bankruptcy as well as restrictions on producers who unjustifiably jack up prices.

/Aspects of the plenary session of the Sejm scheduled for this coming Wednesday were discussed, as were the plans of work of the Chamber and the SD Deputies' Club for the immediate future. The deliberations were chaired by Marek Wieczorek./

National Defense Commission Meeting

Warsaw TRYBUNA LUDU in Polish 27 Nov 85 p 2

["Activities of the Sejm Commission for National Defense" -- PAP report]

[Text] /On 26 [Nov 85] was held a session of the Sejm Commission for National Defense/. Representatives of the heads of the Ministry of National Defense briefed the commission about selected aspects of the military threat to our country, the structure and tasks of the PRL Armed Forces and the nation's defense system and its operation. During the discussion the deputies received additional explanations. Emphasis was placed on coordinating defense policies with the country's overall development as well as on the army's participation in work promoting the national economy, and a system of rational management of the armed forces was discussed along with its effects. Deputy Henryk Jablonski chaired the meeting.

1386

CSO: 2600/171

PROVINCIAL DEFENSE COMMITTEE MEETINGS

Katowice Defense Committee

Katowice TRYBUNA ROBOTNICZA in Polish 24 Oct 85 pp 1, 2

[Article by Jerzy Miemieć: "The Constant Struggle With Thievery on the Railroads"]

[Text] There is no leniency in cases of thievery on the Polish State Railroads nor will there be, regardless of who commits it. The Provincial Defense Committee (PDC) in Katowice at its 14 August meeting took an extremely strong stand on the status and effectiveness of plans being implemented by the Silesian District Directorate of State Railroads (DDSR) to safeguard the property being hauled by the railroads. It is requiring that a verified, concrete program be developed which, when it is instituted, will visibly improve the situation.

Yesterday, the 23rd, the PDC at a meeting conducted by its vice-chairman, Gen Bde Jan Lazarczyk, chief of the Provincial Military Staff, again discussed this very important, from an economic and social point of view, problem.

The extensive program, presented by the Silesian DDSR and the district task force for the safeguarding of property and the counteraction of thievery on the State Railroads, which had been coordinated earlier with the Provincial Internal Affairs Office and the Provincial Prosecutor General's Office, was approved this time along with its supplements.

The list of specific measures, some of which, according to Kazimierz Drozd, assistant managing director, chairman of the Silesian DDSR Anti-Theft Task Force, have already been put into effect, is truly long. A number of meetings have been held in the most vulnerable State Railroads stations and junctions with representatives of the prosecutor's office, the militia, the PZPR Factory Committees, and the trade unions, in attendance. To set an example and as a deterrent, railroad employees who steal cargo and State Railroads property, will be tried on station grounds by collegial courts, with railroad crews attending the trials. "Blockade"-type campaigns will continue to be conducted regularly by the Citizens Militia, the Volunteer Reserve of the Citizens Militia, and Polish Army soldiers. Before referring persons for jobs on the railroads, the employment offices will consider the individual's past record.

Prizes will be awarded to those employees who do outstanding work in safeguarding property and revealing crimes, and part of the salaries paid to those who manage and supervise the stations will, according to the program, depend on "elimination of transport irregularities which facilitate the occurrence of thievery." The names of State Railroads employees who committed thefts and the punishment administered, will be made known to the railroad workforces.

Cars and trains carrying valuable cargo will be given greater protection and the work of investigation teams will be intensified.

The list of measures already partially implemented is long. But the fact is, and those who took part in the discussion, including Gen Bde Ryszard Szuster, head of the Provincial Internal Affairs Office, Jan Zielinski, PZPR Provincial Committee secretary, and Stanislaw Ganszczyk, deputy provincial prosecutor general, called attention to it, that despite some improvement the number of crimes and their detection is still very disturbing. Thus elimination of the causes of this state of affairs is a priority task.

The PDC has assigned the Silesian DDSR the task of regularly examining the security of property against theft and destruction during transport.

The PDC also discussed defense problems, heard a report on the sociopolitical situation, the state of law and order in the province, and how the needs of the armed forces and civil defense are being met.

Krakow Defense Committee

Krakow ECHO KRAKOWA in Polish 30 Oct 85 p 2

[Text] The Provincial Defense Committee in Krakow met yesterday. The meeting was chaired by Mayor Tadeusz Salwa.

Problems of housing construction and the present status and prospects for expansion of telecommunications in Krakow and in the province were discussed.

The committee acquainted itself with the current state of law, order and public safety..

Skierniewice Defense Committee

Skierniewice WIADOMOSCI SKIERNIEWICKIE in Polish 14 Nov 85 p 2

[Text] Last week in Skierniewice the Provincial Defense Committee (PDC) held a meeting which was attended by the PZPR Provincial Committee secretary, J. Marchew and conducted by Governor K. Borczyk, PDC chairman. The state of the fighting readiness of fire departments in the province was assessed.

The materials submitted by PDC members and the additional information supplied by the chief of the Krakow Province Fire Department, A. Piatkowski, showed that there has been distinct progress in equipping fire departments with firefighting equipment and vehicles. Training and preventive work has also

improved. Regional Volunteer Fire Brigade facilities are also expanding. Six new lookout stations have been put into service and 26 more are being built. Preliminary work has been begun on construction of a provincial lookout station which is to be completed in 3 years. The efficiency of fire departments will improve and response time to fires will be further shortened by a new system of radio-activated sirens. The efficiency of firefighters is also being improved through a system of drills and contests.

The PDC also assessed the results of the recruitment of youth to professional military schools. It was found that the quota assigned to the Provincial Military Staff was filled and even exceeded. Meetings of young people with Polish Army officers, organized trips to officers schools, and "open barracks" days, turned out to be very useful in acquainting the young people with the nature, conditions and work of the Army.

The participation of the teaching cadre of the junior high schools was given a high rating, emphasizing that information on the military profession should be expanded through collaboration with the Polish Scout Union. Friendly contacts between Higher Officers School students and their young high-school colleagues would also be valuable.

The PDC members next heard reports on the safety and public order in the province. They learned that during the first three quarters of this year the crime rate dropped, and particularly crimes against life and property. The crime-detection index rose, especially crimes relating to bootlegging and speculation. But the high crime rate among juveniles is disturbing, as is economic crime, with large numbers of persons failing to make alimony payments. Traffic accidents continue to be a menace, caused mainly by drunken drivers and careless pedestrians.

9295

CSO: 2600/183

BRIEFS

PRON GRUNWALD COMMITTEE--On 28 January 1986 Kazimierz Barcikowski, deputy chairman of the Council of State and chairman of the National Grunwald Committee, met with a delegation of government officials from Olsztyn Province and the first secretary of the PZPR Olsztyn Province Committee, Jan Laskowski. The chairman of the Citizens' Grunwald Committee in Olsztyn, Edmund Wojnowski, reported on the work the committee has accomplished to date. The ensuing discussion centered around the tasks facing the National Grunwald Committee, which was created in response to a resolution passed by the PRON National Council. [Text] [Warsaw TRYBUNA LUDU in Polish 29 Jan 86 p 2] /8918

SZALAJDA SEES BROVIKOV--On 30 January 1986 Vice Premier Zbigniew Szalajda met with the USSR Ambassador Vladimir Brovikov. [Text] [Warsaw TRYBUNA LUDU in Polish 31 Jan 86 p 2] /8918

SOVIET ENVOY AT FRIENDSHIP SOCIETY--On 30 January 1986 a meeting was held between the executive staff of the Polish-Soviet Friendship Society National Board and the USSR Ambassador Vladimir Brovikov. The chairman of the Polish-Soviet Friendship Society National Board, Stanislaw Wronski, reported on the society's activities and current tasks. The status of cooperation between the Polish-Soviet and Soviet-Polish friendship societies was discussed. [Text] [Warsaw TRYBUNA LUDU in Polish 31 Jan 86 p 2] /8918

PRON APPEAL ON PRISONER RELEASE--On 30 January 1986 the collegium of the PRL Prosecutor's Office reviewed, inter alia, a report on the response of the PRL Prosecutor's Office to the PRON humanitarian initiative concerning the release of persons imprisoned for so-called non-criminal offenses. It was concluded that action by the prosecutor's office in response to this initiative has been proceeding in a proper manner. In accordance with the wishes of the PRON National Council Executive Committee, the Prosecutor General's Office forwarded to the committee a detailed listing of persons released from custody so as to enable PRON authorities to exercise a rehabilitative influence over these persons in order to forestall their becoming repeat offenders. [Text] [Warsaw TRYBUNA LUDU in Polish 31 Jan 86 p 2] /8918

PZPR 10TH CONGRESS PREPARATIONS--On 3 February 1986 the PZPR Central Committee headquarters was the site of a conference party provincial committee secretaries devoted to a discussion of ideological and public relations problems associated with preparations for the PZPR 10th Congress. The participants discussed key

tasks related to the general pre-congress news and public relations campaign and in particular to the debate on the draft version of the party platform, the congress issues agenda, the plans of the mass communications media, and key problems in the field of the arts. The conference, which was chaired by PZPR CC Secretary Henryk Bednarski, as attended by Jan Glowczyk, candidate member of the Politburo and CC Secretary. [Text] [Warsaw TRYBUNA LUDU 4 Feb 86 p 2] /8918

MEDIA BRIEFING ON 24TH PLENUM--Critical issues discussed at the 24th Plenum of the PZPR Central Committee were the topic of a meeting held on 3 February 1986 with press, radio and television correspondents from the socialist countries and the press attaches of the embassies of these countries in Warsaw. Briefings on the proceedings of this plenum were presented by Boguslaw Kedzia, director of the PZPR CC Department for Science, Education, and Scientific and Technological Progress, and Leszek Miller, director of the PZPR CC Department for Youth Affairs, Physical Education, and Tourism. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86 p 2] /8918

SOVIET-POLISH TRADE UNION COOPERATION--On 3 February 1986 OPZZ Chairman Alfred Miodowicz met with the director of the Foreign Department of the Soviet trade union national organization, Vladimir Sergeyev. Information was exchanged on the activities and cooperative ventures of the union movements of the two countries. The importance of lending support to the disarmament program as spelled out in the Mikhail Gorbachev Plan was emphasized. V. Sergeyev also met with the Stanislaw Gabrielski, director of the PZPR CC Department for Social and Trade Union Affairs. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86] /8918

VISITING SOVIET TRADE UNIONISTS--A delegation of the Auditing Commission of the All-Union National Council of Trade Unions headed by the commission chairman, Lidia Kubiak, arrived in Poland on 3 February 1986 for a visit. The purpose of the visit is to share information and experience on the work being done by the statutory bodies of both national trade union movements, the OPZZ and the All-Union National Council, with special emphasis on the working techniques of audit, inspection and financial bodies. [Text] [Warsaw TRYBUNA LUDU in Polish 4 Feb 86 p 2] /8918

RADIOACTIVE MATERIALS THEFT--At the Wroclaw thermal electric power plant persons unknown have stolen two smoke detectors that were installed in a special tunnel. These "DIO-30" detectors are complex devices whose design and performance involves the use of radioactive materials. The investigation of this case is being conducted by the local provincial office of internal affairs. Experts warn that the levels of radioactivity in these detectors may be a hazard to health or even life threatening, especially so in the event that the detectors are disassembled. [Text] [Warsaw ZYCIE WARSZAWY in Polish 4 Feb 86 p 2] /8918

SMUGGLED PRINTING EQUIPMENT INTERCEPTED--During a customs inspection at the Olszyn (Zielona Gora Province) border crossing of a truckload shipment from the FRG to the Roman Catholic St Jan Bosco parish in Poznan customs inspectors discovered in the truck a duplicating machine, paper, carbons, and duplicating fluid that were not registered on the bill of lading. This illegally transported printing equipment was part of a shipment of gifts that included items such as

used beds, mattresses, cabinets, footwear, apparel, and medicines. The shipper was identified as the Catholic parish of Kressbronn, FRG. This case is being investigated by the Zielona Gora Province Prosecutors Office. [Text] [Warsaw ZOLNIERZ WOLNOSCI in Polish 5 Feb 86 p 5] /8918

NICARAGUAN NATIONAL ASSEMBLY GROUP VISIT--Warsaw, 19 Feb--A delegation of the Nicaraguan National Assembly arrived here today for a few-day visit. Members of the delegation, deputies of the Sandinista National Liberation Front, Julio Marengo and Jaime Onil Perez are guests of the Sejm, with which the Nicaraguan parliament has been developing more and more fruitful cooperation. The Nicaraguan guests have paid a call on deputy Sejm speaker Mieczyslaw F. Rakowski and presented him with information on the political and economic situation in their country. They stressed that last years' elections to the National Assembly, won by the Sandinista National Liberation Front, were an important event in strengthening the Nicaraguan revolution. The working out of a new constitution, to replace the current provisional one, is one of the most important tasks of the new parliament, said the guests. The Nicaraguan guests also spoke on the constant need of strengthening the achievements of the revolution in their country. They stressed that it depends not only on the attitudes and aspirations of the Nicaraguan people, but also on the understanding and support for the Nicaraguan cause of mainly the socialist countries and also other countries. /Text/ /Warsaw PAP in English 1710 GMT 19 Feb 86 LD/ 12228

BORDER GUARD KILLED ON DUTY--The funeral of a soldier of the Border Guard, Private Krzysztof Gesiarz, who was killed 4 days ago while carrying out his duties, took place in Biala, Czestochowa Voivodship. The border guard was pushed into the port canal at Kolobrzeg by a Danish sailor who wanted to come onto his ship without producing documents. After mass in the parish church, the coffin containing the body of Krzysztof Gesiarz, escorted by a guard of honor, was carried to the cemetery. The deceased was accompanied by members of his immediate family, comrades and superiors from the army, representatives of the Czestochowa Voivodship authorities, and by inhabitants of his home village. /Text/ /Warsaw Domestic Service in Polish 2200 GMT 15 Feb 86 LD/ 12228

USSR CULTURAL AGREEMENT--At the Ministry of Culture and Art an agreement has been signed on cooperation in cinematography between the USSR and Poland this year. On the Polish side the agreement was signed by Deputy Minister Jerzy Bajdor (SMCLN) while the Soviet side was represented by deputy chairman of the State Committee of the Soviet Union for Cinematography, Mikhail Aleksandrov. /Excerpt/ /Warsaw TV Service in Polish 21100 GMT 5 Feb 86 LD/ 12228

FUNGAL INSECTICIDE--Polish scientists have found an efficient, yet safe way to fight the Colorado beetle and protect people and animals. A species of *Funus* named *baveria Bassiana* has become man's ally in the struggle against the Colorado beetle. As laboratory tests have shown, its spores completely destroy the beetle's eggs, larvae and adult specimens. The problem consists in selecting a prepared substance suitable for universal use with an effectiveness equal to that of the fungus itself. Several years of efforts by scientists at the Institute of Ecology of the Polish Academy of Sciences in Dziekanow Lesny near Warsaw have ended in success. At the Polfa Pharmaceutical works in Pabianice, the technology of production of the substance on an industrial scale has already been developed. It is now undergoing the final tests. /Excerpts/ /Warsaw TV Service in Polish 2110 GMT 5 Feb 86 LD/ 12228

ACCORD WITH CSSR WRITERS--An agreement defining principles of cooperation in 1986-87 between the Union of Polish Writers (ZLP) and the Czechoslovak Union of Writers has been signed. The agreement envisages an increase in exchanges between the two unions. [Text] [Warsaw Domestic Service in Polish 2300 GMT 3 Feb 86 LD/ 12228]

WARSAW WRITERS MEETING--A general meeting of the Warsaw branch of the Union of Polish Writers (ZLP) has taken place in Warsaw. Krzysztof Gasiorowski was elected chairman. He had been elected chairman of the Warsaw branch in February 1984. This function was entrusted today to him again. [Excerpts] [Warsaw Television Service in Polish 2025 GMT 30 Jan 86 LD/ 12228]

CIVIC MILITIA MEETING--The activity of the Social Committee of the Voluntary Reserve of the Civic Militia (ORMO) has been revived in Janowiec Wielkopolski. The first secretary of the PZPR municipal-parish committee in Janowiec Wielkopolski, Zbigniew Zajaczek, was elected chairman. The composition of the Janowiec ORMO committee also includes some of the directors and heads of the local works enterprises. Preparations for celebrating the 40th anniversary of the movement were discussed. [Text] [Bydgoszcz Domestic Service in Polish 0600 GMT 31 Jan 86 LD/ 12226]

PROVINCIAL PZPR CONFERENCE--On 13 February 1986 Politburo member and PZPR CC Secretary Marian Wozniak chaired a meeting of provincial party secretaries devoted to a discussion of critical problems affecting social policy and collaboration between the PZPR and the trade unions and workers self-management council in the implementation of these policies. It was emphasized that the trade unions and workers councils have an important role to play in the process of implementing economic reform, enhancing economic performance efficiency, encouraging civic involvement in activities dedicated to industrial rationalization and innovation, resources conservation, and boosting the quality of industrial production. It was concluded that the work to be done by the trade unions and workers councils should serve to help increase worker understanding of economic affairs, encourage their more active involvement in civic and plant affairs, and reinforce the role played by the working class as a conscious protagonist in the process of economic planning and management. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /8309

SOVIET ENVOY WITH RAKOWSKI--On 13 February 1986 USSR Ambassador Vladimir Brovikov paid a visit to the Vice Marshal of the Sejm, Mieczyslaw F. Rakowski in connection with the onset of his diplomatic mission in Poland. On the same day Ambassador Brovikov also paid a visit to Sejm Vice Marshal Marek Wieczorek. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /8309

PZPR ROLE IN EDUCATION--A three-day seminar on education system problems for secretaries of teaching profession party committees and officials of PZPR provincial committees held at the Party Training Center of the PZPR Central Committee has come to an end. The participants discussed key problems affecting party work in the educational system. The main focus of attention was on efforts geared toward providing for the effective implementation of the resolution passed by the 24th Plenum of the PZPR CC. [Text] [Warsaw TRYBUNA LUDU in Polish 14 Feb 86 p 2] /8309

COOPERATION WITH SOVIET JOURNALISTS--The scope of cooperation between Polish and Soviet journalists is increasing with each passing year. To an ever increasing extent press, radio, and TV journalists from Poland and the USSR are participating in and reporting on major events taking place in both countries. In Poland there is growing interest in the Soviet press and publishing industry. This is attested to by the agreements signed every year between Workers Publishing Cooperative "Prasa-Ksiazka-Ruch" and its Soviet counterparts.

The importance of cooperation between Polish and Soviet journalists, especially so in view of the upcoming 27th Congress of the CPSU and the 10th Congress of the PZPR, was highlighted by candidate Politburo member and PZPR CC secretary Jan Glowczyk at the annual meeting with Soviet correspondents that was held on 14 February in Warsaw. Jan Glowczyk thanked the Soviet journalists for the work they have done in this country and wished them much success in their careers. The meeting, which was hosted by the chairman of the Workers Publishing Cooperative, Wieslaw Rydygier, was attended by the entire press corps. Representatives of the USSR Embassy were also in attendance. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

SIWICKI BRIEFED ON GDANSK SITUATION--Army General Florian Siwicki, candidate member of the Politburo and minister of national defense, has met in Gdansk with senior officials of the provincial government. Stanislaw Bejger, candidate member of the Politburo and first secretary of the PZPR Provincial Committee in Gdansk, gave a briefing on the local social and political situation, and Gen. Bde. Mieczyslaw Cygan, Gdansk Province governor, reported on the local economic situation. The meeting was attended by the chief of the Main Political Administration of the Polish Armed Forces, Gen. Div. Tadeusz Szacilo. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

GOMULKA COLLECTED WORKS--The editorial committee in charge of the publication of Wladyslaw Gomulka's "Collected Works" has held another meeting at PZPR CC headquarters. The committee met to discuss editorial policy for this edition and review a draft of the first volume. As a result of the discussions that they held decisions were made on the guidelines and scope of the work to be done by the team of authors hired to work on the initial volumes in the series, and recommendations were made on action to be taken with a view to improving and, at the same time, speeding up work on this edition. The committee decided to issue an appeal for everyone's help in gathering materials covered by the editorial program plan and decided that the first volume in the series would encompass the period from January 1943 to December 1945 and would be published next year. The meeting was chaired by CC Secretary Henryk Bednarski. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

SOVIET AMBASSADOR MEETING--On 14 February 1986 T.W. Mlynczak, chairman of the Democratic Party Central Committee and deputy chairman of the Council of State, met with the USSR ambassador, Vladimir Brovikov. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

CONGRESS BRIEFING FOR ZSL PRESS--Tasks facing the ZSL press in advance of the PZPR 10th Congress formed the topic of a meeting of senior editors and journalists that was held on 14 February 1986. Presidium member and Executive Committee member Kazimierz Kozub discussed editorial policy guidelines for the ZSL press during the pre-congress campaign. Deputy director of the PZPR CC Propaganda Department, Stanislaw Glen, gave a presentation on the progress of the pre-congress debate to date, the main premises of the PZPR draft Program, and the role of the media in publicizing this program. [Text] [Warsaw TRYBUNA LUDU in Polish 15-16 Feb 86 p 2] /8309

CSO: 2600/273

REGULATIONS FOR HANDLING OF PROP WEAPONS BY ARTISTIC UNITS

Bucharest BULETINUL OFICIAL in Romanian Part I No 6, 31 Jan 86 p 4

[Council of Ministers Decision Amending and Supplementing Council of Ministers Decision No 1369/1971 on Measures in Connection With the Handling of Weapons and Ammunition and for the Determination and Punishment of Violations in This Area]

[Text] The Council of Ministers of the Socialist Republic of Romania decides: Sole article--Council of Ministers Decision No 1369/1971 on measures in connection with the handling of weapons and ammunition and for the determination and punishment of violations in this area, republished in BULETINUL OFICIAL, Part I No 21 of 8 March 1976, is amended and supplemented as follows:

1. Paragraphs 3 and 4 of Article 10 will have the following content:

"Cultural-artistic associations which possess panoply weapons, as well as culture and art institutions which possess such weapons or prop weapons, will list in the registration application the number of weapons in their possession, the characteristics of each individual weapon, as well as whether or not they have been rendered harmless. Documentation will be attached to the authorization request in regard to those weapons which have not been rendered harmless since they are rare weapons or are of special historic, documentary, scientific, or artistic value.

The possessors of panoply or prop weapons specified in paragraph 3 are obliged to keep a record of these weapons in accordance with the instructions given by the militia organs."

2. A new paragraph, with the following content, is inserted in Article 31:

"Prop weapons are rendered harmless by stopping up the bore with two steel pegs riveted and welded to the outside of the barrel. These pegs will be placed so that only blank ammunition can be put in the cartridge chamber."

Council of Ministers of the Socialist Republic of Romania
Prime Minister, Constantin Dascalescu

Bucharest, 27 January 1986
No 18

/8309
CSO: 2700/95

GRLICKOV STRESSES SAWPY ROLE IN NEW SYSTEMIC DEVELOPMENT

Belgrade BORBA in Serbo-Croatian 1-2 Feb 86 pp 1, 3

[Interview with Aleksandar Grlickov, president of the Federal Conference of SAWPY]

[Excerpts] [BORBA] Recently one can hear even more often the thesis that the revolution in our country is threatened. Do you believe this thesis is correct...?

[Grlickov] The economic and social crisis here has probably produced such a concern. Various anti-socialist phenomena and forces which have arisen and have partly succeeded in expanding the political area of their action have also probably had an effect on this.... However, this is not close to my view of our socioeconomic circumstances and their future. If one holds the thesis that the revolution is threatened, the question is immediately raised: "Which revolution? And how is it threatened?" ...and this thesis corresponds with another already official thesis, that the basic conflict in our country is between the forces of statism and those of socialist self-management; hence, not between revolution (which, I repeat, is not identified) and counter-revolution.

Why do I insist on asking which revolution is threatened? Does one have in mind here that every socialist revolution is authentic, self-aware, and an unrepeatable process, so accordingly biased and in a certain sense also one-sided? In this accepted and undisputed historical truth one should always keep in mind that there also exists the possibility of a dogmatization of its theoretical and political thought. Its [the revolution's] deformation begins, in fact, in this process. In answer to your question, I want to ask the following question: Is it a question of a threat to our revolution or is it a question of a deformation of the revolution as a result of its internal dogmatization?

The second thesis with which I want to defend my disagreement with the view that our revolution is being threatened is that it is known from history that every revolution has always expressed its own concrete historical limitations, from its inception throughout the stages of its development. This is a natural process of its development. In addition, the possibility for stagnation, the sharpening of social contradictions, and the differentiation of goals from practical action can also occur.

[BORBA] In public statements you have recently made you have insisted several times on the need to project a new stage in our development. What do you mean by this?

[Grlickov] The present model of industrialization and its priorities have exhausted their potential and require change. These changes must give more consideration to the requirements of the new technological revolution (oriented toward the medium- and small-scale economy in new branches and toward solving structural disproportions), as well as giving more consideration to new comparative advantages which we have created in the past period, that is a skilled labor force and accumulated knowledge as a whole among the large number of unemployed in the country as well as those who are abroad. I think the changes will require a new method of industrialization in a broad sense which will keep in mind the shortage of social [capital] accumulation and the hidden and unused potential of accumulation existing in private property. We have comparative advantages in cheap labor..., unused potential in agriculture, and the undeveloped tertiary sectors.

We have established that the existing institutional mechanism...is less and less able to solve the socioeconomic contradictions. Solutions are often therefore sought outside the system of ...self-management.

The new projected stage must remove the polyp of polycentralist or centralist etatism and disintegrative tendencies and divisions. It must create a new turn in development inspired by integration and homogenization. The basis for this is the action of the workers class, other working classes, and social groups in order to turn from stagnation to a unified market and mutual agreements..., but also to mutual competition.

Discussions about the...national economies, I agree, are becoming more frequent and bitter, but they are not yet over and will not be easily concluded as long as politics dominates economics so powerfully. These discussions will continue as long as direct producers do not have the material and institutional base to dispose of all surplus labor, as long as political decisions override the producers' decisions, and...as long as the entity responsible for the working class and national interests is not the working class itself but, rather, someone else acting in its name, such as a political bureaucracy.

The practice of national economies has opened up disintegrating processes with a strong potential toward autarchy, reaching into the OURs. These... are facts which cannot be overcome by political or ideological reform but by changes in the mechanism of the economic system and in the mechanism of the political system.

To develop the new content of political life it is important that all subjective forces of socialism, the LCY, SAWPY, the Trade Union Federation, Youth Organization, etc., form a real identity. Presently, none of them have their own strategic orientation. The LCY is integrated too much with the state and does not act to a sufficient degree as an ideological-political

force through the regular mechanism of the political system on the public stage of political life. In regard to SAWPY and other members of the popular front, their role as a transmission line [of the LCY] and their own autonomous identity have been at variance.

Identity, and this means...independence and the free expression of the interests and ideas of its members, is an essential factor for developing a new quality in political life.

[BORBA] Can some changes be expected from the present elections?

[Grlickov] I have spoken quite a bit about the elections in the last few months, so I will only say that elections should radically change the class-social structure of the delegates in the delegate assemblies and sociopolitical organizations, expanding the possibilities for all socialist and self-management-oriented people, regardless of whether they are LCY members or not, Marxists or non-Marxists, theists or atheists. If the cadre composition of the political pyramid is not formed in this way, it is difficult to expect that intermediary interests will be suppressed and that [elections]...will also be the framework for a new quality of political life.

There is no new quality of political life without the real role of the Socialist Alliance, as the front of all organized socialist forces. Now we do not yet have such a Socialist Alliance. There are still vacillations and resistance in political practice. The criticism that SAWPY is still carrying out a transmission-line role...is correct.

[BORBA] And the League of Communists?

[Grlickov] In reality, of course, channels and potentials have been released so that forces are appearing in the LCY which are drawing the party into a traditional political party, i.e., into the traditional one-party system in regard to the methods of its action. On the other hand, there are signs that the outcome of the...contradiction is being sought in a traditional multiparty organization; as if our problems will be easier to solve with two parties, the LCY and a Socialist Party, for instance, if this is, in general, realistic in our multinational and multiconfessional society. Our answer is along a positive historical line, namely, that under our conditions neither the classic one-party nor the multiparty system is appropriate. At the same time, as is known, our answer is not reality [stvarnost], it does not communicate intimately with reality.

Therefore, when we speak about the place and role of the Socialist Alliance as a front for all organized socialist self-management forces we are, in fact, speaking about the existential question of our self-management socialism and multinational society. I am not sure that everyone understands this very important truth--which is partly the result of our historical essence and partly the conviction that in our basic orientations there is a stalemate in forming self-management socialism under our conditions.

I must say, finally, that knowledge and both political and moral courage are necessary to create this new projected stage. We...need knowledge and moral and political courage to decisively meet the challenges of the present without the complexes of the past, to meet the goal of changing the present and controlling and forming the very uncertain future.

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CSO: 2800/165

- END -